

SBICAP TRUSTEE COMPANY LIMITED

ANNUAL REPORT

2021-22

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Board of Directors

Shri. Amitava Chatterjee - Chairman
Shri. Ravi Ranjan – Nominee Director
Shri. Kshitij Mohan – Nominee Director
Shri. Jayaraman Chandrasekaran - Nominee Director
Shri. Balkrishna Vinayak Chaubal - Additional Director (Independent & Non-Executive)
Shri. Sanjay Dattatray Panse - Additional Director (Non-Executive)
Shri Bharat Kumar Mishra - Managing Director & CEO

Statutory Auditors

M/s. Desai Associates
103/104 - A, Anand Estates,
189, Sane Guruji Marg,
Mumbai – 400 011
Tel: 022 22 23080788/23001840/2305115,
Fax: 022 23072987/23073055

Registrar & Transfer Agent

Datamatics Business Solutions Limited,
Plot No. B-5, Part B Cross Lane MIDC,
Andheri East, Mumbai - 400093
Tel: 022 66712 001

Registered Office

202, Maker Tower E,
Cuffe Parade, Mumbai 400005
CIN - U65991MH2005PLC158386
Tel -022 43025500, Fax – 022 22040465
Email - corporate@sbicaptrustee.com
Website. www.sbicaptrustee.com

Corporate Office:

Mistry Bhavan, 4th Floor,
122 Dinshaw Vachha Road,
Churchgate, Mumbai – 400 020
Tel – 022 4302 5555

SBICAP TRUSTEE COMPANY LIMITED

Regd. Office: - 202, Maker Tower 'E', Cuffe Parade, Mumbai- 400 005

NOTICE

NOTICE is hereby given that the 17th Annual General Meeting of the Members of SBICAP Trustee Company Limited will be held on Thursday, 29th day of September 2022 at 11:00 a.m. (IST) at a shorter notice at the Board Room, SBICAP Trustee Company Limited, 202, Maker Tower 'E', Cuffe Parade, Colaba, Mumbai - 400 005 to transact the following business: -

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31st March 2022 and the Reports of the Directors' and Auditor's thereon; and the comments of the Comptroller & Auditor General of India (CAG) under Section 143(6) of the Companies Act, 2013 and in this regard.**

To consider and if thought fit, to pass the following resolution as an ordinary resolution with or without any modifications:

“RESOLVED THAT the Audited Balance Sheet of the Company as on 31st March, 2022, the Audited Statement of Profit and Loss for the year ended 31st March, 2022 the Auditors' report and comments of the Comptroller & Auditor General of India (CAG) under Section 143(6) of the Companies Act, 2013 thereon, together with the Directors' Report, be and are hereby received, considered and adopted.”

- 2) To appoint Shri. Sanjay Panse (DIN: 02725875) who retires by rotation and being eligible, offers himself for re-appointment (liable to retire by rotation) as a Director on the Board of Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without any modification(s):**

“RESOLVED THAT pursuant to the provisions of Sections 152(6) read with all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable Rules made under the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri. Sanjay Panse (DIN: 02725875), who retires by rotation at the 17th Annual General Meeting and being eligible, offers himself for re-appointment as an Additional Director (Non-Executive) be and is hereby re-appointed as an Additional (Non-Executive) Director in the category of whose office shall be liable to retire by rotation.”

- 3) **To take note and confirm the appointment of, M/s Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. AAC-8909) as the Statutory Auditors of the Company made by the Comptroller & Auditor General of India (CAG) for the Financial Year 2022-23 and to approve the fixation of remuneration payable to them for the Financial Year 2022-23, as recommended by the Board and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without any modification(s):**

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act 2013, appointment of M/s Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. AAC-8909) as Statutory Auditors of the Company made by Comptroller and Auditor General of India for the Financial Year 2022-23 be and is hereby noted and confirmed.”

“RESOLVED FURTHER THAT remuneration amounting Rs. 3,32,000/- (Rupees Three Lakhs Thirty-Two Thousand only) plus taxes and out of pocket expenses as applicable payable to M/s Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. AAC-8909), the Statutory Auditors for the Financial Year 2022-23 as recommended by the Audit Committee and Board of Directors be and is hereby approved by the Members of the Company.”

SPECIAL BUSINESS:

- 4) **To approve appointment, terms and conditions, remuneration and other benefits of Shri. Bharat Kumar Mishra (DIN: 09385794) as Managing Director & Chief Executive Officer of the Company and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution with or without any modification(s):**

“RESOLVED THAT Shri. Bharat Kumar Mishra (DIN: 09385794) who was appointed as an Additional Director of the Company and who holds office until the date of forthcoming Annual General Meeting under Section 161 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable Rules, Regulations, Notifications and Circulars, issued by the Ministry of Corporate Affairs in this regard and the provisions of the Memorandum and Articles of Association of the Company, who is eligible for appointment and has consented to act as Director of the Company be and is hereby appointed as a Director of the Company”.

“RESOLVED FURTHER THAT, in pursuance to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Key Managerial Personnel) Rules, 2014 as amended from time to time and the applicable rules, regulations, notifications and circulars as may be issued by Ministry of Corporate Affairs in this regard and the applicable provisions of the Memorandum and Articles

of Association and the recommendation of the SBI Capital Markets Ltd (Holding Company), the approval of the Members be and is hereby accorded to appoint Shri. Bharat Kumar Mishra (DIN: 09385794), as the Managing Director and Chief Executive officer and Key Managerial Personnel (KMP) of the Company with effect from 03rd November, 2021 for a period of two years i.e. from 03rd November, 2021 till 02nd November, 2023 or till further instructions by State Bank of India, whichever is earlier, on the remuneration and terms and conditions as are applicable to SBI Officers in TEGS-VI (Dy. General Manager) grade as decided by State Bank of India and detailed in the Annexure A and for payment of ex-gratia to him as may be decided by the Board from time to time.

RESOLVED FURTHER THAT, approval of the Members be and is hereby accorded for the terms and conditions of appointment including remuneration and other benefits as applicable to SBI Officers in TEGS-VI (Dy. General Manager) grade of State Bank of India from time to time (as set out in the Annexure A below).”

RESOLVED FURTHER THAT the terms of remuneration as set out in the (Annexure A below) of this resolution shall be deemed to form part hereof and in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned remuneration comprising salary, perquisites and benefits approved as per SBI Officers’ Service Rules in TEGS-VI herein be continued to be paid as minimum remuneration to the MD & CEO.”

“RESOLVED FURTHER THAT Shri. Bharat Kumar Mishra (DIN: 09385794), Managing Director and Chief Executive Officer, be and is hereby authorised to sign in physical mode or digitally or by any other permitted mode, all the forms, documents and papers required to be filed/submitted to the Securities and Exchange Board of India, Registrar of Companies, CERSAI and/or with any other authorities, either in physical mode or electronically or by any other mode permitted as may be permitted under the relevant Act, (including any statutory modifications or re-enactment thereof, for the time being in force) and the rules and regulations made thereunder.”

Annexure A

Terms and conditions of remuneration and other benefits as applicable to SBI Officers in TEGS- VI (Dy. General Manager) grade payable to Shri. Bharat Kumar Mishra (DIN: 09385794) as Managing Director & CEO:

1.	Basic Pay	As per SBI Officers’ Service Rules in TEGS- VI. Presently Rs. 116,120/- per month
2.	Dearness Allowance	As per SBI Officers’ Service Rules in TEGS- VI. Presently Rs. 39,599.08/- per month
3.	City Compensatory Allowance	As per SBI Officers’ Service Rules in TEGS- VI. Presently Rs. 1,400/- per month
4.	Professional Qualification Pay	As per SBI Officers’ Service Rules in TEGS- VI. Presently Rs. 2,550/- per month.

5.	Special Compensatory Allowance – 2	As per SBI Officers' Service Rules in TEGS- VI. Presently Rs. 450/- per month.
6.	Deputation Allowance	As per SBI Officers' Service Rules in TEGS- VI. Presently Rs. 3,000/- per month.
7.	Special Allowance	As per SBI Officers' Service Rules in TEGS- VI. Presently Rs. 23, 224/- per month.
8.	Special Balancing Allowance	As per SBI Officers' Service Rules in TEGS- VI. Presently Rs. 2,288/- per month.
9.	Learning Allowance	As per SBI Officers' Service Rules in TEGS- VI. Presently Rs. 600/- per month.
10.	Provident Fund Contribution	As per SBI Officers' Service Rules in TEGS- VI.
11.	Gratuity	As per SBI Officers' Service Rules in TEGS- VI.
12.	Residential Accommodation	As per SBI Officers' Service Rules in TEGS- VI.
13.	Travelling Expenses	As per SBI Officers' Service Rules in TEGS- VI.
14.	Halting Allowance and eligibility for stay	As per SBI Officers' Service Rules in TEGS- VI.
15.	Leave	As per SBI Officers' Service Rules in TEGS- VI.
16.	Provision of Car	As per SBI Officers' Service Rules in TEGS- VI.
17.	Medical Benefits	As per SBI Officers' Service Rules in TEGS- VI.
18.	Leave Travel Concession	As per SBI Officers' Service Rules in TEGS- VI.
19.	Encashment of Privilege Leave	As per SBI Officers' Service Rules in TEGS- VI.
20.	Membership of Clubs	As per SBI Officers' Service Rules in TEGS- VI.
21.	Personal entertainment	As per SBI Officers' Service Rules in TEGS- VI.

Also, all other remuneration and benefits sanctioned /enhanced (including grade acquired on account of promotion) from time to time for TEGS- VI grade.

Along with salary, allowance and perquisites, the following would be payable to the Bank by the borrowing organisation:

i) Bank's contribution to Provident Fund	10% of Basic Pay (including eligible amount of PQA every month)
ii) Bank's contribution to Pension Fund	10% of Basic pay (including eligible amount of PQA every month)

iii)Contribution towards leave Salary	At the end of the period of deputation, leave salary corresponding to leave earned during the period of deputation but not availed during the said period shall be payable to the Bank
iv)Leave Travel concession	If the officer does not avail the leave travel concession while on deputation, the cost of leave travel concession proportionate to the period of deputation, would be payable to the Bank at the end of the period of deputation.

By Order of the Board


Aayushi Sanghavi
Company Secretary 

Place: Mumbai
Date: 28th September, 2022

Notes:

1. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. Corporate Members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. The Company’s Registrars & Transfer Agents for its share registry is M/s. Datamatics Business Solutions Ltd having its office at Plot No. B-5, Part B Cross Lane, MIDC, Andheri East, Mumbai – 400093.
5. The map to the venue of the Annual General Meeting is attached, in terms of the requirements of the Secretarial Standards -2 issued by the Institute of Companies Secretaries of India (ICSI) for the perusal of the Members.
6. The details for the Directors seeking appointment at the Annual General Meeting (AGM) is included in the Explanatory Statement of the Company. Further details are available at the Registered Office of the Company for perusal of the members, during working hours till the date of the Annual General Meeting.

By Order of the Board



Aayushi Sanghavi
Company Secretary

Place: Mumbai

Date: 28th September, 2022

**EXPLANATORY STATEMENT TO THE ANNUAL GENERAL MEETING
NOTICE**

(Under Section 102 of Companies Act, 2013)

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice

Item No. 3:

As per the provisions of Section 139 of the Companies Act, 2013, the Financial Statements of the Company are subject to the audit by an auditor duly appointed by the Comptroller and Auditor General of India (CAG), as we are a step-down subsidiary of State Bank of India (SBI). Accordingly, CAG has appointed, as Statutory Auditor for the Financial Year 2022-23.

As per the provisions of Section 142(1) of the Companies Act, 2013, the remuneration of the Auditor of a Company shall be fixed in its General Meeting or in such manner as may be determined therein. Accordingly, The Board of Directors has considered the proposal for approval of the remuneration of, the Statutory Auditors appointed by the Comptroller and Auditor General of India for the Financial Year 2022-23 for the Members approval. The Auditors have confirmed their eligibility for appointment under Section 141 of the Companies Act, 2013.

In view of the above, the Board hereby recommends remuneration of Rs. 3,32,000/- (Rupees Three Lakhs Thirty-Two Thousand only) plus taxes and out of pocket expenses payable to M/s Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. AAC-8909) for the Financial Year 2022-23, as per the details given below:

Scope of Work	Amount
Statutory Audit of the financial statements as on 31 st March, 2023 (as specified by CAG vide letter dated 29.08.2022)	1,72,000/-
Quarterly Limited Review report for 2 quarters i.e., Sept 22 & Dec 22 (Rs.35,000/- per quarter plus applicable taxes).	70,000/-
3 (no.) quarterly Audit of data for consolidated financial statements/ CFS Return (to be submitted to SBI) i.e., Rs. 30,000/- per quarter plus applicable taxes (i.e., Sept 22, Dec 22 & Mar 23)	90,000/-
Total	3,32,000/-

The above remuneration is excluding applicable taxes, if any.

The Members are requested to kindly consider the proposal of fixation of remuneration to the Statutory Auditors appointed by Comptroller and Auditor General of India.

The Board of Directors recommend the resolution for the approval of the Members as an Ordinary Resolution.

None of the Directors or any Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise in the said resolution.

Item No. 4:

To approve appointment, terms and conditions, remuneration and other benefits of Shri. Bharat Kumar Mishra (DIN: 09385794) as Managing Director & Chief Executive Officer and Key Managerial Personnel of the Company.

SBI Capital Markets Limited (Holding Company) have received a letter from SBI bearing Ref No A&S / NBS/SR/ 485 dated 20th October, 2021 for appointment of Shri. Bharat Kumar Mishra (DIN: 09385794) as Managing Director & Chief Executive Officer and Key Managerial Personnel of SBICAP Trustee Company Limited, for period of two years with effect from 03rd November, 2021 till 02nd November, 2023 or till further instructions from SBI, whichever is earlier.

The Board of Directors of the Company on the communication received from SBI Capital Markets Limited and subject to approval of the Members had accorded approval to appoint Shri. Bharat Kumar Mishra (DIN: 09385794) as Managing Director & Chief Executive Officer and Key Managerial Personnel of the Company, for period of two years with effect from 03rd November, 2021 till 02nd November, 2023 or till further instructions from SBI, whichever is earlier.

The terms and conditions of appointment, details of remuneration and other benefits are set out in the "Annexure A" of the Ordinary Resolution proposed in item no. 4 of the Notice as per Section 200 of the Companies Act, 2013.

Shri. Bharat Kumar Mishra (DIN: 09385794) satisfies all the conditions as set out in Part-I of Schedule V and sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his appointment as Managing Director of the Company. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. He has also submitted his consent in writing to act as Managing Director and CEO of the Company.

Shri. Bharat Kumar Mishra (DIN: 09385794) Managing Director & CEO shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to the duties of directors.

It is now proposed to seek the approval of the Members to appoint Shri Bharat Kumar Mishra for period of two years with effect from 03rd November, 2021 till 02nd November, 2023 or till further instructions from SBI, whichever is earlier, on the remuneration and terms and conditions as are applicable to SBI Officers in SBI Officers in TEGS-VI (Dy. General Manager) grade as per details set out below in the 'Annexure A' and for payment of ex-gratia to him as applicable to SBI deputees and approved by the Board from time to time.

The above may be treated as a written memorandum setting out the terms of appointment of Shri Bharat Kumar Mishra (DIN: 09385794) under Section 190 of the Act.

Additional information in respect of Shri Bharat Kumar Mishra (DIN: 09385794) pursuant to the Secretarial Standards on General Meetings (SS-2), is provided at 'Annexure C' to this Notice.

Brief profile of Shri Bharat Kumar Mishra is also provided at 'Annexure D' to this notice.

Except for Shri Bharat Kumar Mishra (DIN: 09385794) and/or his relatives, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise is interested in the resolution set out at item no. 4 of the Notice.

The Board recommends as an Ordinary Resolution as set out in item no. 4 of the Notice for approval of the Members.

By Order of the Board



Aayushi Sanghavi
Company Secretary

Place: Mumbai

Date: 28th September, 2022

Annexure C

Details of Directors seeking appointment at the 17th Annual General Meeting to be held on Thursday, 29th September, 2022

[Pursuant to Secretarial Standards – 2 of the General Meetings.]

Name of the Director	Shri. Bharat Kumar Mishra
Date of Birth	15 th March, 1970
Age	52 years
Qualifications	Bachelor's Degree in Arts, Diploma in Business Finance from ICFAI, Certified Associate from Indian Institute of Bankers (CAIIB), MBS from S.P Jain Institute of Management & Research and cleared CFA (Level II).
Experience	26 years
No. of Shares held	20 Equity Shares
Terms & Conditions	Effective from 03 rd November 2021 to 02 nd November, 2023 or till further instructions from SBI, whichever is earlier.
Remuneration Last Drawn	As applicable to SBI Officers in TEGS-VI (Dy. General Manager) grade as decided by State Bank of India as per details set out in the Annexure 'A' and for payment of ex-gratia and as applicable to SBI deputees and approved by the Board from time to time.
Remuneration sought to be paid*	Same as above
Number of Board Meetings attended during the Financial Year 2021-2022	04
Date of Appointment	03 rd November, 2021
Relationship with other Directors/ Manager/ Key Managerial Personnel	NIL
Directorships held in other Companies in India**	NIL
Membership on the Committee Board of other Companies	NIL

*Details of remuneration pertaining to Managing Director & CEO have been provided in the Ordinary resolutions item no. 4.

**The Directorship, Committee Memberships and Chairmanships do not include positions in foreign companies.

Annexure D

Brief Profile of Director seeking appointment at the 17th Annual General Meeting to be held on Thursday, 29th September, 2022.

Shri. Bharat Kumar Mishra:

Shri. Bharat Mishra is the Deputy General Manager of SBI and deputed as MD & CEO of SBICAP Trustee Company Limited He holds a bachelor's degree in Arts (History Hons.), diploma in Business Finance from ICFAI and is a Certified Associate from Indian Institute of Bankers (CAIIB). He has also completed Executive MBA from S. P. Jain Institute of Management & Research and has passed CFA (Level II).

Prior to joining SBI, he worked as a Probationary Officer in Indian Bank for 6 months and Bank of Baroda for more than 2 years. He started his SBI career from Lucknow Circle of SBI in October 1995 and has held various positions viz. Field Officer, Branch Manager, Dy. Manager – Credit in Regional Office, Dy. Manager – HR in LHO, Lucknow, Faculty in Training Centre, Varanasi and Headed Commercial Branch, Varanasi etc. He has held various positions both in India and overseas viz. as Head – Credit & Operations of Mewana Region, DIFC, Dubai and was subsequently posted as a Country Head & CEO at SBI Maldives before taking over the assignment at SBICAP Trustee Company Ltd.

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U65991MH2005PLC158386

Name of the Company: SBICAP Trustee Company Limited

Registered Office: 202, Maker Tower 'E', Cuffe Parade, Mumbai – 400 005

Name of the member (s):	
Registered Address:	
E-mail ID:	
Folio No. / Client ID:	
DP ID:	
No. of shares held	

I/We, being the member (s) holding _____ shares of the above-named company, hereby appoint:

Name:	
Address:	
E-mail ID:	
Signature:	

Or failing him

Name of the member (s):	
Registered Address:	
E- mail ID:	
Folio No. / Client ID:	

Or failing him

Name of the member (s):	
Registered Address:	
E-mail ID:	
Folio No. / Client ID:	

Or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17th Annual General Meeting of the company, to be held at the Registered Office of the Company situated at the Board Room, SBICAP Trustee Company Limited, 202, Maker Tower 'E', Cuffe Parade, Mumbai 400 005 on Thursday, 29th September 2022, at 11:00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Particulars	For	Against
ORDINARY BUSINESS			
1	To receive, consider and adopt the Audited Financial Statements for the Financial Year ended 31 st March 2022 and the Reports of the Directors' and Auditor's thereon; and the comments of the Comptroller & Auditor General of India (CAG) under Section 143(6) of the Companies Act, 2013 and in this regard		
2	To appoint Shri. Sanjay Panse (DIN: 02725875) who retires by rotation and being eligible, offers himself for re-appointment (liable to retire by rotation) as a Director on the Board of Company		
3	To take note and confirm the appointment of, M/s Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. AAC-8909) as the Statutory Auditors of the Company made by the Comptroller & Auditor General of India (CAG) for the Financial Year 2022-23 and to approve the fixation of remuneration payable to them for the Financial Year 2022-23, as recommended by the Board		
SPECIAL BUSINESS			
4.	To approve appointment, terms and conditions, remuneration and other benefits of Shri. Bharat Kumar Mishra (DIN: 09385794) as Managing Director & Chief Executive Officer of the Company		

Signed this ----- day of -----2022.

Signature of the shareholder

Signature of Proxy holder(s)

Affix one Rupee Revenue Stamp
--

Note: This Form of Proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

SBICAP TRUSTEE COMPANY LIMITED**CIN U65991MH2005PLC158386****Registered Office: 202, Maker Tower, 'E', Cuffe Parade, Colaba, Mumbai -400 005****ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting Hall)

I/We hereby record my/our presence at the 17th Annual General Meeting of SBICAP Trustee Company Limited held on Thursday, 29th day of September, 2022 at 11:00 a.m. (IST) at a shorter notice at the Board Room, SBICAP Trustee Company Limited, 202, Maker Tower, 'E', Cuffe Parade, Colaba, Mumbai -400 005

Full Name of Member: _____

Regd. Folio No. No. of Shares Held () _____

Full Name of the Proxy (In Block Letters) _____

Signature of the Member (s) or Proxy present _____

Please complete and sign this attendance slip and handover at the entrance of the meeting hall. Only member(s) or his/her/their proxy with this attendance slip will be allowed entry to the meeting. Duplicate slips will not be issued at the entrance.

MAP SHOWING LOCATION OF THE VENUE OF THE 17th ANNUAL GENERAL MEETING OF THE COMPANY

Venue: Board Room, SBICAP Trustee Company Limited, 202, Maker Tower 'E', Cuffe Parade, Mumbai - 400 005



DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

To
The Members,
SBICAP Trustee Company Limited (STCL)

The Board of Directors has the pleasure in presenting the 17th Annual Report of the Company together with the Audited Financial Statements, Auditors' Report for the financial year ended 31st March, 2022.

1. FINANCIAL STATEMENTS & RESULTS:

a. FINANCIAL RESULTS

The Company's performance during the financial year ended 31st March, 2022 as compared to the previous financial year, is summarized below:

Particular	(Rs. in lakhs)	
	For the financial year ended 31st March, 2022 Audited	For the financial year ended 31 st March, 2021 Audited
Revenue from Operations	3,866.46	3029.64
Other Income	678.63	720.46
Profit before depreciation, interest and tax	2,704.07	2255.52
Less: Depreciation	237.22	256.47
Less: Interest	317.22	242.15
Profit before exceptional items and tax expenses	2,149.63	1756.91
Less: Exceptional items	-	-
Less: Tax		
Current Tax	608.89	782.62
Deferred Tax	(29.97)	(323.90)
Profit After Tax	1,570.71	1298.18
Earnings Per Share Basic and Diluted (Rs.)	157.07	129.82
Book Value per share (Rs.)	1274.44	1064.69
Other Comprehensive Income	2.10	(0.80)
Total Comprehensive Income for the year	1572.81	1297.39
Balance of profit / loss for earlier years	9391.68	10174.98
Transfer to General Reserve	157.07	129.82
Balance carried to Balance sheet	11,332.15	9391.68

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

b. OPERATIONS:

SBICAP Trustee Company Ltd (STCL/ Company) is engaged in providing trusteeship services to the financial market players in India. It has pan India presence and operates from Mumbai and six branches located in New Delhi, Ahmedabad, Hyderabad, Bengaluru, Chennai and Kolkata.

While it acts as a Security Trustee to the Lenders for Corporate and Project Finance Loans, it performs the role of a Debenture Trustee for the Debentures / Bonds issued by Corporates, Banks, PSUs & Municipal Corporations. It is registered with SEBI as a Debenture Trustee. STCL also provides other related services like Share Pledge Trustee, Escrow Trustee, AIF Trustee, ESOP Trustee, Virtual Data Room (VDR) Services etc. As Trustees, STCL currently handles 2665 assignments and holds securities for loans worth Rs. 38,47,942 crores as on 31.03.2022 on behalf of Lenders and Debenture/Bond holders.

STCL has shown improved Financials during 2021-22 with growth of Gross Income by 22% and PAT by 21%. The Gross Income stood at Rs. 45.45 Crores and Profit After Tax at Rs. 15.71 Crores.

Due to increase in the collections upto 80% during the F.Y 2021-22, the investments of STCL resulted with an increase by 39% for the said year in comparison with the previous financial year.

STCL has extended Trusteeship Services for AIF and InvITs during the year and recently introduced new products viz. Document Management System (DMS), Virtual Data Room (VDR) and Ancillary Services to mainly cater to the requirements of Banks, NBFCs and ARCs. The services are described below:

Security Trustee

STCL is the largest player amongst the Security Trustee service providers. STCL provides Security Trustee services to lenders under Consortium and other forms of multiple lending to Corporates. STCL have completed 434 new mandates, generating One Time fee income of Rs. 9.8 Crores during 2021-22.

Debenture Trusteeship

As a SEBI registered Debenture Trustee, STCL acts as Debenture Trustee for both public issues and private placements of debentures, bonds and other securities. During the year, the company has completed 54 mandates amounting to one-time fee income of Rs. 1.14 Crores.

Share Pledge Trustee

STCL also acts as Share Pledge Trustee where securities in the form of Pledge of Shares are provided to Lenders by Corporates. During the year, the company has completed 22 mandates amounting to one-time fee income of Rs. 0.27 Crores.

Alternative Investment Fund Trustee

AIF is a SEBI regulated privately pooled investment vehicle which collects funds from sophisticated investors, Indian or Foreign, for investing it in accordance with a defined Investment policy for the benefit of its

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

investors. STCL provides Trustee services to various private and government sponsored AIFs.

Escrow Trustee

As an Escrow Trustee, STCL acts as a neutral party to provide services as envisaged under the Tripartite Agreement. During the year, the company has completed 7 mandates amounting to one-time fee income of Rs. 0.23 Crores.

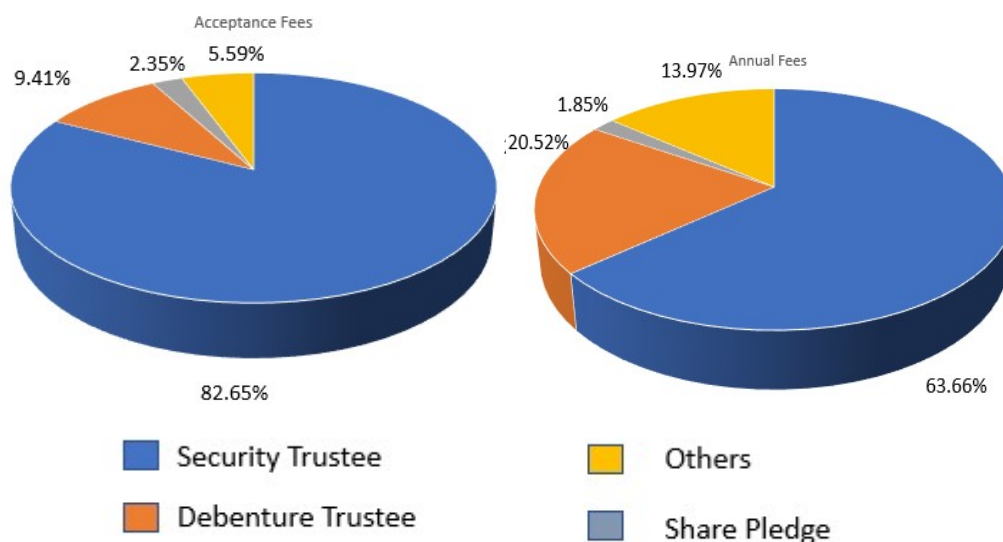
Virtual Data Room (VDR) Services

STCL is providing VDR Services on a secured platform. A VDR is an ideal solution for any business that wants to streamline their document sharing and make it more efficient. Organizations who have the following needs will make perfect users of VDR services i.e., sharing documents and critical business information, protection of company information, document management and secure data management, grant access to multiple parties at the same time, support for mobile devices, permission to upload high amount of data, precise searching functionality. etc

Ancillary Services

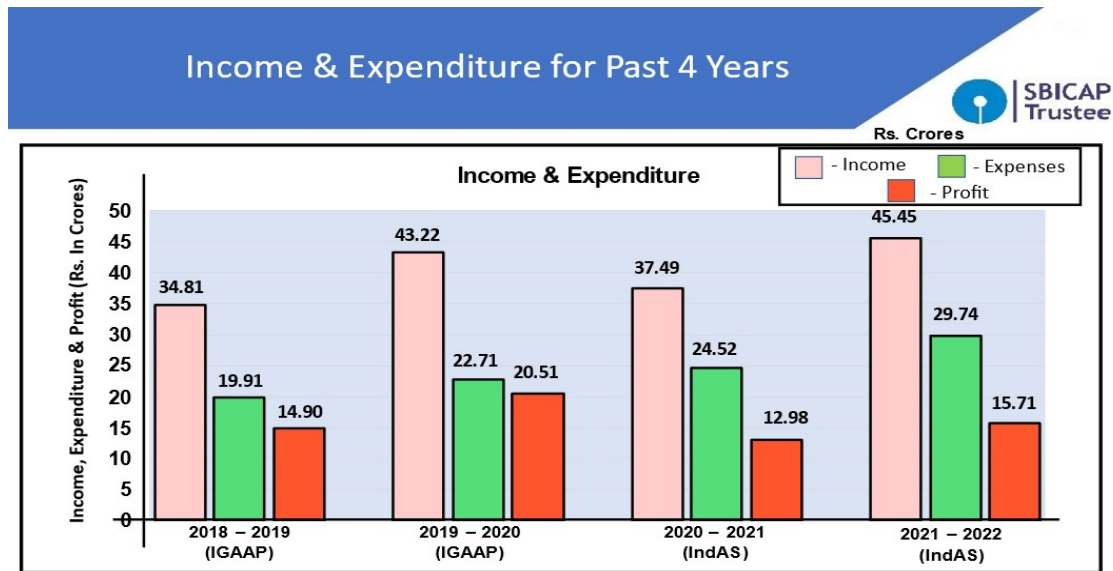
Ancillary Services include producing routine information and legal processes like KYC due diligence, obtaining title search reports, valuation reports, legal opinions, RoC search reports, obtention of timely financial information, Revival Letters etc. to lenders for corporate lending under Consortium / Multiple Banking and Sole lending.

Product-wise Fee Component for 2021-22

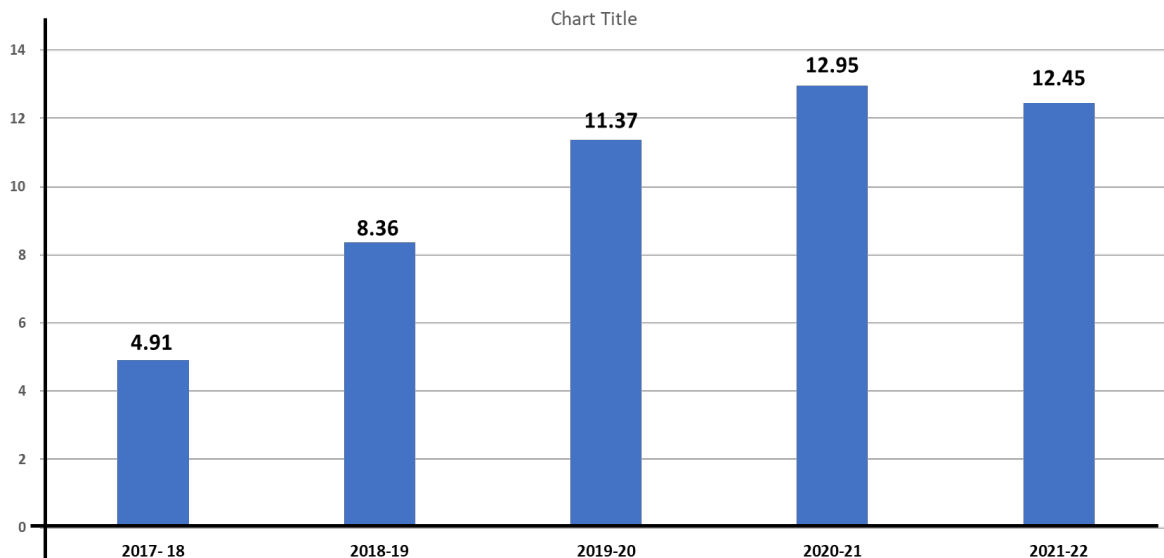


DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

Income & Expenditure (Last 4 Years)



Performance of New Business for One-time fees (Rs.in Crores)



c. REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

During the year under review, the company did not have any subsidiary, associate or joint venture company.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

d. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of business of the Company.

e. SHARE CAPITAL:

During the year under review, the issued, subscribed and paid-up equity capital of the Company remained Rs. 1 crore divided into 10,00,000 equity shares having face value of Rs. 10/- each. The Company has not issued any further shares or convertible securities.

f. DIVIDEND:

During the year under review, the Board has not recommended any dividend during the year under review.

g. TRANSFER TO RESERVES:

The Board of Directors propose that a sum of Rs. 1.57 Crores be transferred to the General Reserve out of the amount available for appropriation and the balance amount of Rs. 113.32 Crores is proposed to be carried forward to the Balance sheet.

h. REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

i. DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, there were no material changes and commitment affecting the financial position of the Company which have occurred between the end of the financial period of the Company to which the Financial Statements relate and the date of this Report.

j. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

During the year under review, there were no significant or material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operation.

k. DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS 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 were no proceedings pending under the Insolvency and Bankruptcy Code, 2016.

l. 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.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

During the year under review, there were no instances of one-time settlement with any Bank or Financial Institution.

m. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor Internal/ Tax Auditors have reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against STCL by its officers or employees, the details of which would need to be mentioned in this Board's report.

n. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES SECTION 188 (1)

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013, and the rules made thereunder are not attracted. Thus, disclosure in form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required. Suitable disclosure as required by Accounting Standards (Ind AS-24) has been made in the notes to the financial statements.

o. Conservation of Energy and Technology Absorption

The business activities of STCL 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.

p. Foreign Exchange Earnings and Outgo --

During the year under review, the Company has neither earned any foreign Exchange income nor has incurred any expenditure.

q. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186

There are no transactions of Loans, Guarantees and Investments and security during the financial year except for the transactions reported under Related Party transactions as mentioned above.

2. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

DIRECTORS

The Board of Directors comprises of 6 (Six) Directors as on the date of Report.

a. The composition of Board of Directors are as follows:

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

Names of the Directors	Date of Appointment	Designation
1. Shri Amitava Chatterjee	01/08/2022	Nominee Director & Chairman
2. Shri. Ravi Ranjan	10/08/2022	Nominee Director
3. Shri. Jayaraman Chandrasekaran	03/01/2014	Nominee Director
4. Shri. Balkrishna Vinayak Chaubal	01/04/2021	Additional Director (Independent & Non-Executive)
5. Shri. Sanjay Dattatray Panshe	01/04/2021	Additional Director (Non – Executive)
6. Shri Bharat Kumar Mishra	03/11/2021	Managing Director & CEO (<i>w.e.f 03rd November, 2020</i>)

KEY MANAGERIAL PERSONNEL

Shri. Rajasekhar Raghavan was nominated as CEO & WTD CEO till 31.05.2020. He was reappointed as Managing Director & CEO w.e.f 10th September, 2021 until 31.05.2021. His tenure was further extended till 31.08.2021, subsequently until 30.11.2021 by SBI. Subsequently, Shri. Rajasekhar Raghavan resigned as the Managing Director & CEO w.e.f 03rd November, 2021 and Shri. Bharat Kumar Mishra was appointed as the Managing Director & CEO of the Company w.e.f 03rd November, 2021 on the recommendation of SBI Capital Markets Limited (Holding Company).

Ms. Anupama Selvaraj Naidu resigned as the Company Secretary with effect from 09th December, 2021. Ms. Aayushi Sanghavi was appointed as the Company Secretary of SBICAP Trustee Company Limited w.e.f. 10th January, 2022.

APPOINTMENT /RESIGNATION /CHANGES IN THE BOARD OF DIRECTORS–

The changes in the Board of Directors are tabled below:

Name of Directors	Appointment/ Cessation or Resignation	Date of Appointment /Cessation/Resignation
Shri. Rajasekhar Raghavan	Resignation	03 rd November, 2021
Shri. Bharat Kumar Mishra	Appointment	03 rd November, 2021
Shri. Arun Mehta	Resignation	31 st July, 2021
Shri. Amitava Chatterjee	Appointment	01 st August, 2022
Shri. BRS Satyanarayana	Resignation	09 th August, 2022
Shri. Ravi Ranjan	Appointment	10 th August, 2022

The Board of Directors places on record its appreciation for the valuable guidance and support extended by all the Directors during their respective tenure.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

DIRECTORS LIABLE TO RETIRE BY ROTATION

Shri. Sanjay Panse, Additional Director retires by rotation and being eligible, offers himself for reappointment. The Board recommended his reappointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

b. DECLARATIONS BY INDEPENDENT DIRECTORS:

The Company has received declarations from Shri. Balkrishna Vinayak Chaubal, for acting as an Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. BOARD MEETINGS:

The Board of Directors met 8 times during the financial year ended 31st March 2022 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

The dates on which the Board of Directors met during the financial year under review are as under:

Particulars	Date of the Meetings
70 th Board Meeting	26 th April 2021
71 st Board Meeting	27 th May 2021
72 nd Board Meeting	19 th July 2021
73 rd Board Meeting	31 st August 2021
74 th Board Meeting	22 nd September 2021
75 th Board Meeting	21 st October 2021
76 th Board Meeting	03 rd November 2021
77 th Board Meeting	10 th January 2021

The attendance of Directors for the Board Meeting is as follows:

Name of the Director	No. of Board Meetings attended	Date of Board Meeting
Shri Arun Mehta	8	26 th April 2021, 27 th May 2021, 19 th July 2021, 31 st August 2021, 22 nd September 2021, 21 st October 2021, 03 rd November 2021 & 10 th January 2022
Shri. R Viswanathan	1	26 th April 2021
Shri. B.R.S Satyanarayana	5	31 st August 2021, 22 nd September 2021, 21 st October 2021, 03 rd November 2021 & 10 th January 2022
Smt. Manju Bolakani	7	26 th April 2021, 27 th May 2021, 19 th July 2021, 31 st August 2021, 22 nd September 2021, 03 rd November

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

		2021 & 10 th January 2022
Shri. Balkrishna Vinayak Chaubal	8	26 th April 2021, 27 th May 2021, 19 th July 2021, 31 st August 2021, 22 nd September 2021, 21 st October 2021, 03 rd November 2021 & 10 th January 2022
Shri. Jayaraman Chandrasekaran	8	26 th April 2021, 27 th May 2021, 19 th July 2021, 31 st August 2021, 22 nd September 2021, 21 st October 2021, 03 rd November 2021 & 10 th January 2022
Shri Sanjay Panse	8	26 th April 2021, 27 th May 2021, 19 th July 2021, 31 st August 2021, 22 nd September 2021, 21 st October 2021, 03 rd November 2021 & 10 th January 2022
Shri. Rajasekhar Raghavan	7	26 th April 2021, 27 th May 2021, 19 th July 2021, 31 st August 2021, 22 nd September 2021, 21 st October 2021 & 03 rd November 2021
Shri Bharat Mishra	2	03 rd November 2021 & 10 th January 2022

b. NOMINATION AND REMUNERATION COMMITTEE:

The Company is not required to constitute Nomination and Remuneration Committee as per provisions of section 178(1) of Companies Act, 2013.

c. AUDIT COMMITTEE:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of the Board and Its Powers) Rules, 2014, all the listed entities and certain classes of Companies are required to constitute an Audit Committee of the Board.

Although the provisions are not applicable to our Company, the Board decided to form Audit Committee as a good Corporate Governance practice and follows the provisions of the Companies Act, 2013 and the related Rules accordingly at their Meeting held on 17th July, 2018.

As on the date of Report, the Committee comprises of the following Directors:

Sr. No	Name of the Director	Designation	Committee
1	Shri. Balkrishna Vinayak Chaubal	Additional Director (Independent & Non-Executive)	Chairman
2	Shri. Ravi Ranjan	Nominee Director	Member
3	Shri. Jayaraman Chandrasekaran	Nominee Director	Member
4	Shri. Sanjay Dattatray Panse	Additional Director (Non – Executive)	Member

All members are financially literate and bring in expertise in the fields of finance, accounting, development, strategy and management.

The Company Secretary acts as the Secretary of the Committee.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

The Committee met 5 times during the year under review. These meetings were held on 26th April, 2021, 19th July, 2021, 22nd September, 2021, 21st October, 2021 & 10th January, 2022 with the requisite quorum.

The attendance details of meetings of this Committee are as follows:

Name of the Director	No. of Committee Meetings attended	Date of Committee Meetings
Shri. Balkrishna Vinayak Chaubal	5	26 th April, 2021, 19 th July, 2021, 22 nd September, 2021, 21 st October, 2021 & 10 th January, 2022.
Shri. BRS Satyanarayana	3	22 nd September, 2021, 21 st October, 2021 & 10 th January, 2022.
Shri. Jayaraman Chandrasekaran	5	26 th April, 2021, 19 th July, 2021, 22 nd September, 2021, 21 st October, 2021 & 10 th January, 2022.
Shri Sanjay Panse	5	26 th April, 2021, 19 th July, 2021, 22 nd September, 2021, 21 st October, 2021 & 10 th January, 2022.
Shri. Ramanathan Viswanathan	1	26 th April, 2021

The terms of reference of Audit Committee are as follows:

1. Recommend appointment, remuneration and terms of appointment of the Auditors of the Company.
2. Review and monitor the Auditor's independence and performance, and effectiveness of audit process,
3. Examine the Financial Statements and Auditor's report thereon,
4. Approve transactions of the Company with related parties and any subsequent modifications therein,
5. Evaluate internal financial controls and risk management systems,
6. Call for the comments of the Auditors about internal control systems,
7. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
8. Review with the management, the annual financial statements before submission to the Board for approval, with particular reference to-
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of all related party transactions.
 - g) Qualifications in the draft audit report.
9. Discuss any issues related to the Financial Statements with the internal and statutory auditors and the management of the Company,
10. Review with the management, the quarterly financial statements before submission to the Board for approval.
11. Discuss with the internal auditors of any significant findings and follow-up thereon.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

12. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
13. Approve any payment to Statutory Auditors for any other service rendered by the Statutory Auditors.

The Audit Committee regularly reviews and analyses the adequacy of internal control system, the financial and risk management policies of the Company. The Internal Auditor submit reports periodically to the Committee and suggestions are given for effective functioning of the internal control system.

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.

d. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The company is not required to constitute Stakeholders Relationship Committee as per the provisions of Section 178(5) of Companies Act, 2013.

e. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As per the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as on the date of Report as under:

Sr. No	Name of the Director	Designation	Role
1	Shri. Balkrishna Vinayak Chaubal	Additional Director (Independent & Non-Executive)	Chairman
2	Shri. BRS Satyanarayana	Nominee Director	Member
3	Shri. Bharat Kumar Mishra	Managing Director & CEO	Member

During the year 2021-22 the Committee met 3 times. The attendance details of meeting of this Committee are as follows:

Name of the Director	No. of Committee Meetings attended	Date of Committee Meetings
Shri. Balkrishna Vinayak Chaubal	3	26 th April 2021, 22 nd September 2021 & 21 st October 2021
Shri BRS Satyanarayana	2	22 nd September 2021 & 21 st October 2021
Shri. Rajasekhar Raghavan	3	26 th April 2021, 22 nd September 2021 & 21 st October 2021
Shri. Ramanathan Viswanathan	1	26 th April 2021

The Company Secretary acts as the Secretary of the Committee.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

The Company has adopted a CSR policy which indicates the activities to be undertaken by the Company as specified in Schedule VII to the Act.

The terms of reference of the Corporate Social Responsibility (CSR) Committee are as follows:

- a) To formulate, review and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company.
- b) To review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c) To monitor the CSR Policy implementation of the Company from time to time;
- d) To institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the company;
- e) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

f. COMMITTEE OF DIRECTORS

Committees of Directors for financial Approvals – for reporting of all financial transactions by the management on a quarterly basis. The MD & CEO submits a quarterly control return of all payments authorised by him within its powers.

As on the date of Report, the Committee comprises of the following Directors:

Sr. No	Name of the Director	Designation	Committee
1	Shri. Jayaraman Chandrasekaran	Nominee Director	Chairman
2	Shri. Ravi Ranjan	Nominee Director	Member
4	Shri. Bharat Mishra	Managing Director & CEO	Member

During the year, the Committee of Directors held 4 meetings for taking note of the financial transactions approved by the MD & CEO within his powers as per the approved Scheme of Delegation of Powers.

The attendance details for the Committee of Directors Meetings held in FY 2021-22 is as follows:

Name of the Director	No. of Committee meetings attended	Date of Committee Meetings
Shri. Jayaraman Chandrasekaran	4	26 th April 2021, 19 th July 2021, 21 st October 2021 & 10 th January, 2022
Shri. Balkrishna Vinayak Chaubal	2	26 th April 2021 & 19 th July 2021
Shri. Ramanathan Viswanathan	1	26 th April 2021
Shri. Rajasekhar Raghavan	3	26 th April 2021, 19 th July 2021 & 21 st October 2021
Shri. Bharat Mishra	1	10 th January, 2022

The Company Secretary acts as the Secretary of the Committee.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

g. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

The provisions of Section 177(9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 are not applicable.

h. RISK MANAGEMENT POLICY:

The Board of Directors of the Company has put in place Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and to define a structured approach to manage uncertainty and to make use of these in their decision making, pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

i. CORPORATE SOCIAL RESPONSIBILITY POLICY:

The Company has constituted the Corporate Social Responsibility (CSR) Committee of the Board in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibilities) Rules, 2014, as amended.

A CSR Policy is in place duly approved by the CSR Committee and the Board of Directors of the Company and the same has been hosted on the website of the company at http://www.sbicaptrustee.com/Uploads/CSR_Policy.pdf.

As per the Company's CSR Policy, the Company had entrusted the implementation of its CSR programme to the CSR Committee and CSR Working Group (CWG). During the year 2021-22, as against CSR Budget of Rs. 43.50 lakhs for the year, against the actual spend of Rs. 43.92 lakhs. The details of the projects undertaken are listed in the "Annexure -I".

The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as "Annexure I" forming part of this Report.

In terms of CSR Amendments Rules, 2021 and Section 135 of the Companies Act, 2013 effective from 22nd January 2021, the prescribed CSR Annual Report forms part of Corporate Governance Report (Annexure - I)

j. Statement in Respect of Adequacy of Internal Financial Control /INTERNAL CONTROL SYSTEMS:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors and adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily.

Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

4. AUDITORS REPORT

The matters related to Auditors and their Reports are as under:

a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31st March, 2022:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2022 read with the Annexure thereto are self-explanatory. There are no qualifications, reservations, adverse remarks or disclaimers, hence the need for explanation or comments by the Board under Section 134(3) of the Companies Act, 2013 does not arise.

b. APPOINTMENT OF AUDITORS:

The Company is subject to audit by the Comptroller & Auditor General of India (CAG) and the appointment of Auditor of the Company is to be done by CAG.

M/s. Desai Associates, 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. They will hold office till the ensuing Annual General Meeting of the Company.

In terms of Section 139(5) of the Companies Act 2013, CAG vide their letter ref.no./CA.V/COY/CENTRAL GOVERNMENT, SBICTC(1)/246 dated 29th August, 2022, has appointed M/s. P Parikh & Associates, Chartered Accountants, as the Statutory Auditors of the Company for the financial year 2022-2023.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

Comments of the Comptroller and Auditor General of India as per report dated 28th June, 2022, submitted under section 143 (6) of the Companies Act, 2013 on the financial statements of the Company for the year ended 31st March 2022 is enclosed. The CAG in its report stated that "On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Companies Act, 2013."

5. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the financial year ended 31st March 2022 is made available on the Website of the Company on

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

<https://www.sbicaptrustee.com/>

b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have not been furnished since the same are not applicable to the Company, considering the nature of activities undertaken by the Company during the year under review.

c. CORPORATE GOVERNANCE:

(Details of remuneration paid to the Directors as on 31.03.2022)

(Amount in Rs.)

Element of Remuneration Name of the Director	Salary / Sitting Fees	Benefits	Stock Options	Performan ce Linked Incentives	Notice Period	Severan ce Fees	Total
Shri. Bharat Mishra, MD & CEO (<i>Key Managerial Personnel</i>) (From 3rd November 2021 onwards)	16,80,611		-	4,01,876	-	-	20,82,487
Shri. Rajasekhar Raghavan, MD & CEO (<i>Key Managerial Personnel</i>) (from 14th December 2017 to 3rd November 2021)	22,32,733		-	4,66,679	-	-	26,99,412
Shri J. Chandrasekaran (Nominee Director)	4,70,000	-		-			4,70,000
Shri. Balkrishna Vinayak Chaubal (Independent and Non- Executive Director)	4,40,000	-	-	-	-	-	4,40,000
Shri. Sanjay Panse (Non-Executive Director)	2,90,000	-	-	-	-	-	2,90,000

(Details of remuneration paid to the Key Managerial Personnel as on 31.03.2022)

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

Element of Remuneration Names of the Key Managerial Personnel	Salary / Sitting Fees	Benefits	Stock Options	Performan ce Linked Incentives	Notice Period	Severan ce Fees	Total
Smt. Anupama Naidu	6,89,325	Nil	Nil	-	-	-	6,89,325
Smt. Aayushi Sanghavi	2,50,004	Nil	Nil	-	-	-	2,50,004

Particulars of Employees:

During the year under review, no employee of the Company was in receipt of remuneration in excess of limits as prescribed under sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

d. MAINTENANCE OF COST RECORDS AND COST AUDIT

The maintenance of Cost Records and requirement of Cost Audit have not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the Companies (Auditor's Report) Order, 2018 is not applicable to the Company.

e. ACCEPTANCE OF DEPOSITS IN TERMS OF CHAPTER V OF COMPANIES ACT, 2013

During the period under review, the Company has not accepted any deposits from the public and does not have any unclaimed deposits. Therefore, the provisions of the clause 3(v) of the Companies (Auditor's Report) Order, 2018 are not applicable to the Company.

f. COMPLIANCE:

The Company has proper system to ensure compliance with all the applicable Laws/Statutes, Secretarial Standards as specified or issued by the Institute of Company Secretaries of India and the same is monitored by the respective Team. With regards to compliance of SEBI (Insider Trading) Regulations, a proper Employee Share Dealing code is put in place to regulate the share dealing of all the Employees of the Company. The code is in conformity with the SEBI (Prohibition of Insider Trading) Regulations, 1992.

g. Insider Trading

The company has adopted the policies in relation to the implementation of the Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices to supervise implementation of the Code.

h. RISK POLICY IN TERMS OF SECTION 134(3)(n)

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

The Company has an Integrated Risk Management Policy for managing the Risks of the Company. The objective of the Risk Policy is as follows:

- ❖ To develop a common understanding of risks across the multiple functions so as to be able to manage risk on an enterprise-wide basis.
- ❖ To establish clear accountability and ownership of risk.
- ❖ To clearly identify risks and document major threats.
- ❖ To decide upon risk mitigating measures.
- ❖ To integrate risk management into the culture of the organization.

6. DIRECTORS RESPONSIBILITY STATEMENT

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

- a. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. 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.
- c. 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.
- d. The Directors have prepared the annual accounts on a going concern basis and
- e. The Directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and such systems are adequate and operating effectively.

7. DIRECTOR'S COMMENTS ON AUDITORS' REPORT

The Observations made by the Auditors in their Report read with relevant notes given in the Notes to Accounts are self-explanatory and therefore, do not require any comments from the Board of Directors pursuant to Section 134(3)(f) of the Companies Act, 2013.

8. POLICY ON PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has a policy for Prevention of Sexual Harassment (POSH) to deal with the matters pertaining to the complaints of Sexual Harassment against Women under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaints were received by the Company during the Financial Year 2021-22, under the said provisions.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

9. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company confirms compliance with the applicable requirements of Secretarial Standards.

10. ACKNOWLEDGEMENTS AND APPRECIATION

The Board would take this opportunity to thank SEBI – the Company's regulator, the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company. The Company is thankful to State Bank of India and its group companies for providing business support, which has been very encouraging and rewarding.

The Board placed on record its appreciation for the valued support from the clients of the company, for their continued patronage. The Board would also like to thank the intermediaries in the Trusteeship industry and statutory authorities for the co-operation extended from time to time.

The Board also expresses deep appreciation for the dedication and commitment of its all employees across the country and at all levels and look forward to their continued contribution in the future.

DECLARATION

We, confirm that all Board members and Senior Management have affirmed compliance with the Company's Code of Conduct for the financial year ended 31st March, 2022 .

For and on behalf of the Board

Sd/-
Shri. Ravi Ranjan
Nominee Director
DIN: 09655948
Date:
Place: Mumbai

Sd/-
Shri Bharat Mishra
MD & CEO
DIN: 09385794
Date:
Place: Mumbai

Registered Office

202, Maker Tower E, Cuffe Parade, Mumbai – 400005
CIN – U65991MH2005PLC158386
TEL NO. – 022 43025500, Fax No. – 022 22040465
Email – corporate@sbicaptrustee.com website. www.sbicaptrustee.com

Corporate Office:

Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020
TEL NO. – 022 43025555

DIRECTORS’ REPORT FOR THE FINANCIAL YEAR 2021-22

Annexure I

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company’s CSR Policy –

The Company has committed itself in improving the quality life of its workforce and their families as well as the local community and society at large. The Company understands its responsibility towards less fortunate and underprivileged sections of the Society. The Company is committed towards community development.

A brief outline of the company’s CSR Policy, including overview of projects or programs proposed to be undertaken are described in the Director’s report under the head “Corporate Social Responsibility policy.”

CSR Policy of the Company is available on the Company’s Website at http://www.sbicaptrustee.com/Uploads/CSR_Policy.pdf

2. Composition of CSR Committee during the review period–

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. Balkrishna Vinayak Chaubal	Chairman -- Independent Director	3	3
2	Shri. B. R. S Satyanarayana	Nominee Director	3	2
3	Shri. Rajasekhar Raghavan (ceased with effect from 03.11.2021)	Managing Director & CEO	3	3
4.	Shri. Bharat Kumar Mishra (appointed with effect from 03.11.2021)	Managing Director & CEO	3	0

3. A CSR Policy is in place duly approved by the CSR Committee and the Board of Directors of the Company and the same has been hosted on the website of the company at http://www.sbicaptrustee.com/Uploads/CSR_Policy.pdf.

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

4. 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.
5. 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 - Nil

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	

6. Average Net Profit of the Company for the last three financial years – (as per CSR Policy)

Financial Years (FY)	Net Profit (in Rs)	Average Net Profits (in Rs)
18-19	2,03,693,662	21,70,56,146
19-20	2,72,742,446	
20-21	17,47,32,331	
Total	65,11,68,439	

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs 43,50,000/-
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years. – Nil
- (c) Amount required to be set off for the financial year- Nil
- (d) Total CSR obligation for the financial year (7a+7b-7c). – Rs 43,50,000/-
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.
43,91,712/-	Nil	Nil	Nil	Nil	Nil

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

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

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.		Amount Spend for the project (in Rs.).	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
				State	District			
1	Akshaya Patra Foundation	Disaster Management (Covid - 19)	Yes	Maharashtra	Pune/Thane/Nagpur/Mumbai	16,00,000	Direct	Not Applicable
2	Sevabharathi Palakkad	Healthcare	Yes	Kerala	Palakkad	7,00,000	Direct	Not Applicable
3	Tata Memorial Centre	Healthcare	Yes	Maharashtra	Mumbai	20,91,712	Direct	Not Applicable

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

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.		Amount Spend for the project (in Rs.).	Mode of Implementation-Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number.
				Nil					

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 43,91,712/-

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

(g) Excess amount for set off, if any: Rs 41,712/- (The Company has not availed the set off in this FY 22-23)

Sl. No.	Particulars	Amount (in Rs.)
1	Two percent of average net profit of the company as per section 135(5)	43,50,000
2	Total amount spent for the Financial Year	43,91,712
3	Excess amount spent for the financial year [(ii)-(i)]	41,712
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	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 financial years. (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):

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.).	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								

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2021-22

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)**.

(a) Date of creation or acquisition of the capital asset(s). – Nil

(b) Amount of CSR spent for creation or acquisition of capital asset. - Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - Nil

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - Nil

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

Sd/-

Shri. Balkrishna Vinayak Chaubal
Chairman of the CSR Committee
DIN: 09200848

Date:

Place: Nagpur

Sd/-

Shri Bharat Kumar Mishra
MD & CEO
DIN: 09385794

Date:

Place: Mumbai

CAG COMMENTS

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 TRUSTEE COMPANY LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of the Financial Statements of SBICAP Trustee Company 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 20th April 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SBICAP Trustee Company Limited for the year ended 31 March 2022 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

Sd/-

(P V Hari Krishna)
Principle Director of Audit (Shipping), Mumbai

Place: Mumbai
Date: 28.06.2022

Independent Auditor's Report

To the Members of SBICAP Trustee Company Limited

Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of SBICAP Trustee Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and 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 Ind AS financial statements give the information required by the Companies Act, 2013 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 other comprehensive income, its cash flows and the changes in equity 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.

Responsibilities of Management and Those Charged with Governance for the standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors 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 Responsibility for the Audit of standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 standalone Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law relating to preparation of the standalone financial statements have been kept by the Company so far as it appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the standalone Ind AS financial statement;
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164 (2) of the Act;

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its Directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. In accordance with the directions issued under section 143(5) of the Act, we further report that:

- a) The Company has system in place to process all the accounting transaction through IT system and there is no implication of processing of accounting transaction outside IT system.
- b) There are no case/cases of restructuring of an existing loan or cases of waiver/write off of loans/interest etc. made by a lender to the company at all.
- c) The Company does not receive any funds from central/state agencies for specific schemes.

For Desai Associates
Chartered Accountants
FRN: 102286W

Sd/-
Shree Gopal Didwaniya
Partner
Membership Number: 139202
UDIN:22139202AHMCFQ8605
Place: Mumbai
Date: 20-04-2022

Annexure “1” to the Independent Auditor’s report

Referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date to the financial statements of the Company for the period ended March 31, 2022:

1. a) The company is maintaining proper records showing full particulars, including quantitative details of property plant and equipment and the Company is maintaining proper records showing full particulars of intangible assets.
 - b) The property plant and equipment of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 - c) The company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly the requirements under clause (i)(c) of paragraph 3 of the Order are not applicable to the Company
 - d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e) The company does not have any proceedings initiated or are pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. a) The Company’s business does not involve inventories and, accordingly, the requirements under clause (ii) of paragraph 3 of the Order are not applicable to the Company.
 - b) In our opinion and according to the information and explanation given to us, the company has not been sanctioned any working capital loans from banks or financial institutions on the basis of security of current assets. Accordingly, the requirements under clause (ii) of paragraph 3 of the Order are not applicable to the Company.
3. In our opinion and according to the information and explanation given to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties. Accordingly, clauses (iii)(a) to (iii)(f) of paragraph 3 of the Order not applicable to the Company for the year.
4. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and securities, the company has complied with the provisions of section 185 and section 186 of the Companies Act, 2013.

5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly clause (v) of paragraph 3 of the Order is not applicable to the company.
7. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, cess, Goods and service tax and any other statutory dues with the appropriate authorities.

According to the information and explanation given to us, no disputed amounts payable in respect of provident fund, Income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, Goods and service tax, cess and other material statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.

b) According to information and explanations given to us and on the basis of our examination of the books of account, and records, there is no any statutory dues outstanding as on Balance Sheet Date which have not been deposited on account of a dispute.

8. In our opinion and according to the information and explanations given to us ,the Company does not have any transactions which not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) and hence the company does not have any previously unrecorded income which has been properly recorded in the books of account during the year.
9. In our opinion and according to the information and explanations given to us, the Company has not taken any loans or borrowings during the year. Accordingly, clause (ix)(a) to clause(ix)(f) of paragraph 3 of the order is not applicable to the company.
10. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause (x)(a) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

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. Accordingly, the provisions of clause (x)(b) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.

11. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the period.
- b) Since the company does not made any fraud as mentioned in sub-clause(a), hence no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) In our opinion and according to the information and explanations given to us, the company does not received any whistle- blower complaints during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. According to the information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has an internal audit system commensurate with the size and nature of its business.
- b) In our opinion, the reports of the internal auditors for the period under audit were considered.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause (xvi) of paragraph 3 of the Order are not applicable to the Company and hence not commented upon.
17. In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year, if so, state the amount of cash losses.
18. In our opinion and according to the information and explanations given to us, there has not been any resignation of the statutory auditors during the year. Accordingly, the provisions of clause (xviii) of paragraph 3 of the Order are not applicable to the Company.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, in our opinion and according to the information and explanations given to us, 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.

20. According to the information and explanations given to us, the company has spent all the amount for the purpose specified or in compliance with section 135 of companies act,2013. Accordingly, the provisions of clause (xx) of paragraph 3 of the Order are not applicable to the Company.

21. In our opinion, the company is a step down subsidiary company. Accordingly, the provisions of clause (xxi) of paragraph 3 of the Order are not applicable to the Company.

For Desai Associates
Chartered Accountants
FRN: 102286W

Sd/-
Shree Gopal Didwaniya
Partner
Membership Number: 139202
UDIN:22139202AHMCFQ8605
Place: Mumbai
Date: 20-04-2022

ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SBICAP TRUSTEE COMPANY LIMITED

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 Trustee Company Limited (“the Company”) as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, 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, 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.

For Desai Associates
Chartered Accountants
FRN: 102286W

Sd/-

Shree Gopal Didwaniya

Partner

Membership Number: 139202

UDIN:22139202AHMCFQ8605

Place: Mumbai

Date: 20-04-2022

SBICAP TRUSTEE COMPANY LIMITED
BALANCE SHEET AS AT 31st March 2022

(Amounts in Indian Rupees)

Particulars	Note Ref.	As at March 31, 2022	As at March 31, 2021 Restated*	As at April 1, 2020 Restated*
ASSETS				
Non-current assets				
Property, plant and equipment	3	69,42,225	53,20,388	39,79,686
Right-of-use-assets	3(a)	7,59,95,589	9,04,55,377	2,20,70,517
Intangible assets	4	1,14,20,877	26,34,987	48,11,270
Financial assets				
- Investments	5	1,50,10,010	1,50,10,010	1,50,10,010
- Other financial assets	6	37,69,64,237	76,07,168	25,54,96,667
Deferred tax assets (net)	7	10,12,80,989	11,59,34,046	1,80,69,742
Non-current tax assets (net)	8	1,07,54,868	1,27,44,904	8,15,90,897
Other non-current assets	9	15,58,131	30,379	12,86,331
Total non-current assets		59,99,26,926	24,97,37,258	40,23,15,120
Current assets				
Financial assets				
- Trade receivables	10	4,62,55,568	21,55,55,105	16,67,24,562
- Cash and cash equivalents	11	61,85,38,165	66,45,18,015	41,62,81,855
- Bank Balances other than mentioned above	12	33,04,05,844	28,72,25,436	14,76,27,740
- Other financial assets	13	3,68,61,299	5,87,56,132	4,11,33,265
Current Tax assets (net)	14	3,64,98,765	5,75,65,194	3,59,513
Other current assets	15	67,88,994	26,16,242	18,23,876
Total current assets		1,07,53,48,636	1,28,62,36,124	77,39,50,810
TOTAL ASSETS		1,67,52,75,562	1,53,59,73,381	1,17,62,65,930
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	1,00,00,000	1,00,00,000	1,00,00,000
Other equity				
- Reserves and surplus	17	1,26,44,40,023	1,05,46,85,585	1,12,00,33,188
TOTAL EQUITY		1,27,44,40,023	1,06,46,85,585	1,13,00,33,188
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings		-	-	-
Lease liabilities	3(b)	6,22,38,579	7,81,87,621	76,69,157
-Others financial liabilities	18	21,02,200	17,53,100	17,97,497
Contract liabilities	19	21,31,82,124	25,59,66,111	-
Provisions	20	9,53,361	11,96,716	9,20,892
Other non-current liabilities		-	-	-
Total non-current liabilities		27,84,76,264	33,71,03,548	1,03,87,546
Current liabilities				
Financial liabilities				
Borrowings				
Lease liabilities	3(b)	1,84,57,839	1,28,75,941	1,43,91,107
- Trade payables				
'(a) total outstanding dues of micro and small enterprises		-	-	-
'(b) total outstanding dues other than (a) above	21	9,99,385	14,50,421	12,92,931
- Other financial liabilities	22	14,83,521	9,55,249	7,23,455
Contract liabilities	19	7,17,48,682	9,78,06,093	-
Provisions	23	1,54,85,894	1,25,87,325	1,33,45,584
Other current liabilities	24	1,41,83,954	85,09,219	60,92,118
Total current liabilities		12,23,59,275	13,41,84,248	3,58,45,196
TOTAL LIABILITIES		40,08,35,539	47,12,87,796	4,62,32,741
TOTAL EQUITY AND LIABILITIES		1,67,52,75,562	1,53,59,73,381	1,17,62,65,930

***Restated (Refer note 31)**

Significant accounting policies 1&2
The accompanying notes form an integral part of these financial statements

As per our attached report of even date

For Desai Associates

Chartered Accountants

Firm Registration No. 102286W

Sd/-

Shree Gopal Didwaniya

Partner

Membership No.139202

Place: Mumbai

Date: 20-04-2022

For and on behalf of the Board of Directors

SBICAP Trustee Company Limited

Sd/-

Bharat Mishra

MD & CEO

DIN: 09385794

Sd/-

Aayushi Sanghavi

Company Secretary

Membership No.A52128

SBICAP TRUSTEE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2022

(Amounts in Indian Rupees)

Particulars	Notes	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Revenue from operations	25	38,66,46,103	30,29,63,652
Other income	26	6,78,62,827	7,20,45,531
Total income		45,45,08,930	37,50,09,182
Expenses			
Employee benefit expenses	27	6,49,29,038	5,98,53,699
Depreciation and amortisation expense	28	2,37,22,107	2,56,46,693
Other expenses	30	11,91,72,401	8,96,03,219
Finance costs	29	3,17,22,184	2,42,14,921
Total expenses		23,95,45,730	19,93,18,532
Profit before exceptional items and tax		21,49,63,199	17,56,90,650
Exceptional items		-	-
Profit before tax		21,49,63,199	17,56,90,650
Income Tax expense			
Current tax	32	6,08,89,000	7,82,62,000
Deferred tax	32	(29,96,949)	(3,23,89,806)
Total tax expense		5,78,92,051	4,58,72,194
Profit for the year		15,70,71,148	12,98,18,456
Other Comprehensive Income			
<i>Items that will not be reclassified to profit and loss</i>			
"Remeasurements of post-employment benefit obligations		2,80,783	58,598
Income tax relating to above		(70,673)	(1,38,266)
Other comprehensive income for the year, net of tax		2,10,110	(79,668)
Total comprehensive income for the year		15,72,81,258	12,97,38,789
Earnings per share			
Basic and Diluted		157.07	129.82
Significant accounting policies 1 and 2			
The accompanying notes form an integral part of these financial statements			
As per our attached report of even date		For and on behalf of the Board of Directors	
For Desai Associates		SBICAP Trustee Company Limited	
Chartered Accountants			
Firm Registration No. 102286W			
Sd/-	Sd/-	Sd/-	
Shree Gopal Didwaniya	B.R.S. Satyanarayana	Bharat Mishra	
Partner	Director	MD & CEO	
Membership No.139202	DIN: 09200848	DIN: 09385794	
		Sd/-	
		Aayushi Sanghavi	
Place: Mumbai		Company Secretary	
Date: 20-04-2022		Membership No. A52128	

SBICAP Trustee Company Limited

Statement of changes in equity as at 31st March 2022

A. Equity share capital

Particulars	No. of shares	Amount
Balance as at April 1, 2020	10,00,000	1,00,00,000
Changes in equity share capital	-	-
Changes in Equity Share Capital due to prior period errors	-	-
Balance as at March 31, 2021	10,00,000	1,00,00,000
Changes in equity share capital	-	-
Changes in Equity Share Capital due to prior period errors	-	-
Balance as at March 31, 2022	10,00,000	1,00,00,000

B. Other Equity

(Amount in Indian Rupees)

Particulars	Reserve & Surplus		Total Reserves & Surplus
	Retained earnings	General Reserve	
Balance as at April 1, 2020	1,01,74,97,601	10,25,35,587	1,12,00,33,187
Profit for the year	12,98,18,456	-	12,98,18,456
Other comprehensive income for the period	(79,668)	-	(79,668)
Changes in Equity Share Capital due to prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-
Total comprehensive income for the period	12,97,38,789	-	12,97,38,789
Dividends paid	-	-	-
Dividend Distribution Tax	-	-	-
Inter-Reserve Transfer	(1,29,81,846)	-	(1,29,81,846)
Ind AS 115 Impact	(19,50,86,391)	-	(19,50,86,391)
Balance as at March 31, 2021	93,91,68,152	10,25,35,587	1,05,46,85,585
Balance as at April 1, 2021	93,91,68,153	11,55,17,432	1,05,46,85,585
Profit/(Loss) for the year	15,70,71,148	-	15,70,71,148
Other comprehensive income for the Period	2,10,110	-	2,10,110
Changes in Equity Share Capital due to prior period errors	-	-	-
Restated balance at the beginning of the current reporting period	-	-	-
Total comprehensive income for the Period	15,72,81,258	-	15,72,81,258
Dividends paid	-	-	-
Inter-Reserve Transfer	(1,57,07,115)	-	(1,57,07,115)
Ind AS 115 Impact	5,24,73,180	-	5,24,73,180
Balance as at March 31, 2022	1,13,32,15,477	10,25,35,587	1,26,44,40,023
Significant accounting policies	1&2		
The above statement of changes in equity should be read in conjunction with the accompanying notes.			
As per our attached report of even date		For and on behalf of the Board of Directors	
For Desai Associates		SBICAP Trustee Company Limited	
Chartered Accountants			
Sd/-	Sd/-	Sd/-	
Shree Gopal Didwaniya	B.R.S. Satyanarayana	Bharat Mishra	
Partner	Director	MD & CEO	
Membership No.139202	DIN: 09200848	DIN: 09385794	
		Sd/-	
		Aayushi Sanghavi	
Place:Mumbai		Company Secretary	
Date: 20-04-2022		Membership No. A52128	

SBICAP Trustee Company Limited
Cash Flow Statement for the year ended 31st March 2022

(Amount in Indian Rupees)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Cash flow from operating activities :-		
Profit before income tax	21,49,63,199	17,56,90,650
Adjustment for :-		
Depreciation and amortisation expense	59,98,466	77,35,937
Depreciation on Right of use assets	1,77,23,641	1,79,10,756
Allowances for doubtful debts	67,27,947	3,00,60,286
Interest income on fixed deposit with Banks	(5,39,11,636)	(5,65,67,309)
Interest on income Tax refund	(51,09,485)	(17,13,880)
Net gain or loss on sale of investments	(39,38,872)	-
Unwinding of discount on security deposits	(5,70,114)	(13,74,331)
(Profit) /Loss on sale of Property, plant and equipment (net)	64,730	1,62,129
Interest expense on contract liabilities	2,34,62,221	1,79,95,126
Interest on lease liability	82,59,963	62,19,795
Other gain/losses	1,30,941	4,16,012
Ind AS 115 Impact	(1,08,37,778)	7,50,77,924
Operating profit before working capital changes	20,29,63,223	27,16,13,096
Decrease /(increase) in trade receivables	16,25,71,590	(7,88,90,829)
Decrease /(increase) in other non-current assets	(15,27,753)	12,55,952
Decrease /(increase) in other financial assets	2,10,67,288	(1,90,91,950)
Decrease /(increase) in other current assets	(41,72,752)	(7,92,366)
(Decrease) /increase in other financial liabilities (non-current)	3,49,100	(44,397)
(Decrease) /increase in non current provisions	(2,43,355)	2,75,824
(Decrease) /increase in trade payables	(4,51,036)	1,57,490
(Decrease) /increase in other financial liabilities (current)	5,28,272	(1,48,885)
(Decrease) /increase in current provisions	28,98,569	(11,72,987)
(Decrease) /increase in other current liabilities	(59,31,365)	24,17,101
Cash generated from operations	37,80,51,782	17,55,78,049
Income taxes paid	(3,22,65,184)	(6,66,21,688)
I. Net cash generated from operating activities	34,57,86,598	10,89,56,361
Cash flow from investing activities:-		
Purchase of Property, Plant and Equipment	(1,68,55,115)	(78,65,813)
Interest Income	5,39,11,636	5,65,67,309
Purchase of Investment	(18,00,00,000)	-
Proceeds on sale of investments	18,39,38,872	-
Proceeds from sale of fixed assets	3,97,288	3,27,497
Fixed Deposits placed/matured during the year (Net)	(41,17,09,934)	10,97,60,886
II. Net cash generated from investing activities	(37,03,17,253)	15,87,89,879
Cash flow from financing activities :-		
Principal elements of lease payment towards lease liability	(1,31,89,232)	(1,32,90,284)
Interest expenses	(82,59,963)	(62,19,795)
III. Net cash inflow (outflow) from financing activities	(2,14,49,195)	(1,95,10,079)
Net increase/(decrease) in cash and cash equivalents (I+II+III)	(4,59,79,851)	24,82,36,161
Cash and cash equivalents at the beginning of the year	66,45,18,015	41,62,81,855
Cash and cash equivalents at the end of the year	61,85,38,165	66,45,18,015
Reconciliation of cash and cash equivalents as per the cash flow statement		
Cash and Cash equivalent as per above comprise of the following		
Cash on hand	16,357	4,025
Balances with scheduled banks (current and deposit accounts)	61,85,21,808	66,45,13,990
Balance as per statement of cash flows	61,85,38,165	66,45,18,015
The above cash and cash equivalents Excludes amounts placed as deposits with scheduled banks having Maturity more than 3 months but less than 12 months	33,04,05,844	28,72,25,436
Non-cash financing and investing activities		
Acquisition of right-of-use asset	21,87,872	62,19,795
Notes: The above cash flow statement has been prepared under the "Indirect method" as set out on the Indian Accounting Standard (Ind AS-7) Statement of Cash flow The Cash flow statement and notes to accounts form an integral part of the account. As per our attached report of even date		
For Desai Associates Chartered Accountants Firm Registration No. 102286W	For and on behalf of the Board of Directors SBICAP Trustee Company Limited	
Sd/- Shree Gopal Didwaniya Partner Membership No.139202	Sd/- B.R.S. Satyanarayana Director DIN: 09200848	Sd/- Bharat Mishra MD & CEO DIN: 08116907
Place: Mumbai Date: 20-04-2022		Sd/- Aayushi Sanghavi Company Secretary Membership No. A52128

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2022

1. Background

SBICAP Trustee Company Limited (hereinafter referred to as “the Company”) is a unlisted public limited Company domiciled in India and incorporated on 28th December 2005 under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 202, Maker Tower E, Cuffe Parade, Mumbai-400005.

The Company is registered with Securities and Exchange Board of India (SEBI) as a Debenture Trustee. The Company has been providing corporate trusteeship services to various types of Borrowers and Investors this includes activities viz security trusteeship, debenture trusteeship, security agent, share pledge trusteeship, safe custody of documents, online will services, etc.

The Company is a wholly owned subsidiary of SBI Capital Markets Limited. Information on group structure is provided in related parties note no.33.

2. Significant Accounting Policies

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

A. Basis of Preparation

i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as “Ind AS”) under the provisions of the Companies Act, 2013 (hereinafter referred to as ‘the Act’) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

ii. Basis of measurement

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

- certain financial assets and liabilities that is measured at fair value; and
- Net defined benefit asset/liability – measured at fair value of the plan assets less present value of defined benefit obligation

Use of estimates and judgments

In preparing these Standalone Financials Statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2022

Assumptions, judgements and estimation uncertainties

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 are made in in the following notes:

- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Recognition of Revenue
- Measurement of defined benefit obligations: key actuarial assumptions.
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
- Estimation of useful life of property, plant and equipment
- Estimation of current tax expense and payable.
- Impairment of Financial Assets.
- Lease classification; and,
- Lease: whether an arrangement contains a lease
- Impact of Covid-19 (Global Pandemic)

B. Summary of significant accounting policies

a. Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non –current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2022

b. Foreign Currencies

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

Transaction and balances

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

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

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

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

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

c. Revenue recognition

The Company provides various services mainly, Security Trusteeship, Debenture Trusteeship, Escrow Agent, Security Agent, Share Pledge Trusteeship, Safe Custody of Documents, Online Will Management, Alternative Investment Fund and Management Trusteeship etc.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices.

Revenue from trusteeship services is recognized on a straight-line basis using time elapsed method over the contract term. In case of contracts where Company provides 'Will' services, revenue is recognized at a point in time when these services are performed, customer is invoiced and right to receive fees is established.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in the estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

If consideration is collected upfront before the services are provided, a contract liability is recognized when the payment is received or due (whichever is earlier). Contract liabilities are recognized as revenue when the performance obligation for relevant service is satisfied.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2022

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

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

- **Sale of services- Fee based Income**

- i. Trusteeship Acceptance Fees - Trusteeship Acceptance Fees are recognized on execution of trusteeship agreement on a straight – line basis using time elapsed method over the contract term.
- ii. Trusteeship Service Charges- Trusteeship Service Charges are recognized on execution of trusteeship agreement on a straight – line basis using time elapsed method over the contract term.
- iii. Income from 'WILL' services- revenue is recognized at a point in time when these services are performed, customer is invoiced and right to receive fees is established.
- iv. CERSAI Fees - CERSAI Fees is recognized on the acceptance or execution of trusteeship assignment whichever is earlier.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation a cumulative adjustment is accounted for.

The company has not recognized variable consideration receivable from certain customers as the amount of the same is not ascertainable as at the reporting date and receipt of the same is highly uncertain.

- **Interest Income**

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

- **Dividend Income**

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

- **Bad Debt:**

Assignments are to be classified as irregular assignments if any outstanding dues are not recovered of earlier two financial years. Income in respect of such irregular assignments is accounted for in the year of receipt. Any previous year/s amount outstanding against, such irregular assignments are written off as bad

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2022

debt in year of such determination or confirmation from lenders whichever is earlier and the current year income accrued, if any, is reversed.

Accelerated Provisioning and Write-off of outstanding debtors:

Whenever in the views of management it is felt that the recovery of fees dues from the Company seems bleak, the management may write off the dues subject to full provisioning already made for the said dues. Further, whenever the fees are non-recoverable due to circumstances viz. beyond the control of the company/projects not taking over/loans not sanctioned, the management may write-off immediately.

- **Raising of further invoices for the irregular assignments where fees are pending for more than one year and above:**

Whenever in the views of management it is felt that the recovery of fees dues from the Company seems bleak for the assignment where the fees are non-recoverable for more than one year and above due to circumstances beyond the control of the Company/projects not taking over/loans not sanctioned, lenders have classified the Company as NPA/NCLT.

The management will analyze the situation on a case to case to basis and may or may not raise further invoice till the time situation will improve or actual recovery happen, whichever is earlier.

Further, the assignments referred to NCLT should not be written it off in the books till the full and final settlement take place.

d. Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognises such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred. Property, plant and equipment under construction are disclosed as capital work-in-progress. Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2022

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over the useful lives, using the depreciation method mentioned in table below. Management believes based on a technical evaluation that the useful lives of the assets reflect the periods over which these assets are expected to be used, which are as follows:

Description of Asset	Useful lives estimated by the management (years)	Depreciation Method
Computers	3 years	WDV
Office Equipment (other than mobile phones)	5 years	WDV
Furniture & Fixtures	10 years	WDV
Mobile phones & Laptop's	3 years	Straight line method
Leasehold improvements	Over the period of lease	Straight line method

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. If such assets are to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

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

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Notes to Financial Statements for the year ended March 31, 2022

e. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use.

Assets under development are disclosed as Intangible assets under development. Amortization is not recorded on assets under development until development is complete and the asset is ready for its intended use.

Software's are amortised using straight line method over a period of 5 years from the date of being ready for intended use.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

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

If such assets are to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization) had no impairment loss been recognized for the asset in prior years.

f. Taxation

Current taxes

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

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Notes to Financial Statements for the year ended March 31, 2022

assets and liabilities, where it has a legally enforceable right to do so and where it intends to settle such assets and liabilities on a net basis.

Deferred taxes

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

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

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

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

Deferred tax includes Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India. Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

g. Fair Value measurement

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

Fair value is the price that would be received to sell an asset or paid to settle a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

h. Impairment of Non-Financial Assets

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

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

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

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

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

i. Financial Instruments

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

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Financial Assets

a) Initial recognition and measurement

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

- Amortised cost
- Fair value through other comprehensive income (FVOCI) - debt investment;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit & loss- (FVTPL)

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

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

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

b) Subsequent measurement

Debt Instruments at amortised cost:

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. A gain or loss on a debt instrument that is subsequently measured at amortised cost is recognized in profit or loss when the asset is derecognised or impaired.

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

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate method. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income and

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impairment gains or losses in the statement of profit and loss. On derecognition of the asset, the cumulative gain or loss previously recognised in OCI is reclassified from equity to statement of profit and loss.

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

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is considered only if doing so reduces or eliminates a measurement or recognition inconsistency. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

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

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale/derecognition of equity instrument. However, the Company may transfer the cumulative gain or loss within equity.

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

Investment in subsidiaries, associates and joint ventures is carried at previous GAAP carrying cost in the financial statements.

c) De-recognition

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The

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Notes to Financial Statements for the year ended March 31, 2022

transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

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

d) Impairment of financial assets

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

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

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

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

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

Expected credit Loss percentage for respective age buckets are given in below table:

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Age Bucket	Expected Credit Loss Rate (%)
0-3 Months	5
3-6 Months	10
6-9 Months	15
9-12 Months	20
12-15 Months	30
15-18 Months	40
18-21 Months	50
21-24 Months	60
24 Months & above	100

For NCLT Cases

Consequent to the enactment of IBC code and the constitution of NCLT, RBI has prescribed provisioning norms in respect of all NCLT referred cases to be maintained at 40 %.

As a Prudent measure of financial discipline, 40% Provision should be made for all NCLT referred cases beginning from the financial year 2018-19.

Financial Liabilities

a) Initial recognition and measurement

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

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

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Financial liabilities at amortised cost

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

c) Derecognition

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

d) Offsetting of financial instruments

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

e) Reclassification

The Company determines the classification of financial assets and liabilities on initial recognition. After initial recognition no reclassification is made for financial assets which are categorized as equity instruments at FVTOCI and financial assets or liabilities that are specifically designated as FVTPL.

j. Leases

As a lessee

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of Lease requires significant judgement. The Company uses significant judgement in assessing the Lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the Lease term as the non-cancellable period of a Lease, together with both periods covered by an option to extend the lease if the company is reasonably certain to exercise that option; and period covered by an option to terminate the lease. if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The company recognises right-of-use asset representing its right to use the underlying asset for the lease term and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

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Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Extension and termination options are included in a number of property and furniture leases across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable on mutual agreement by the Company and the respective lessor.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for the leases in the company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in similar economic environment with similar terms, security and conditions.

Right-of-use assets are measured at costs comprising the following:

- the amount of the initial measurement of the lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and restoration costs.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the company recognises any remaining amount of the re-measurement in statement of profit and loss.

Payments associated with short term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment's.

Contracts may contain both lease and non-lease components. The company has elected not to separate the lease and non-lease components and instead account for them as a single lease component.

The Company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant and no changes in terms of those leases are expected due to the COVID-19.

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As a lessor

The Company has not entered any lease as a lessor.

k. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

l. Dividends

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

m. Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

n. Contingent Liabilities

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognized when it is probable that a liability has been incurred, and the amount can be estimated reliably. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

o. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account.

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Notes to Financial Statements for the year ended March 31, 2022

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.
- Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

p. Cash and Cash Equivalents

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

q. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the statement of profit and loss in the period in which they are incurred.

r. Employee Benefits

• Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the undiscounted amounts of the benefits expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

• Other Long-term employee benefit obligations

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

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The obligations are presented as current in the balance sheet if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

- **Post-employment obligations**

The Company operates the following post-employment schemes:

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

Defined benefit plan - Gratuity Obligations

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

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

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

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

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

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

Defined Contribution Plan

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

s. Cash flow statements

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular operating, investing and financing activities of the Company are segregated.

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2022

t. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

The company's management examines the company's performance as a whole i.e. providing corporate trusteeship services and the company operates only majorly only in one geographical segment i.e. within India hence no other disclosures are made.

u. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.

Note 3 - Property, plant and equipment**Gross carrying amount**

(Amounts in Indian Rupees)

Particulars	Air Conditioners	Computers other than Laptops	Office Equipments (Mobile Phone Handsets)	Office Equipments (other than mobile phones)	Furniture & Fixtures	Laptops	Lease hold Improvement	Total
Opening balance as at April 1, 2020	2,79,792	43,18,890	9,19,340	20,55,035	29,67,207	52,52,586	8,26,850	1,66,19,699
Additions	-	18,75,978	4,03,642	11,72,111	4,27,518	21,97,910	-	60,77,158
Disposals	(1,49,467)	(25,95,506)	(5,60,533)	(14,10,911)	(11,34,564)	(36,03,324)	-	(94,54,304)
Transfers	-	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-	-
Classified as assets held for sale	-	-	-	-	-	-	-	-
Change due to revaluaton (if 10% or more)	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	1,30,325	35,99,362	7,62,450	18,16,235	22,60,160	38,47,172	8,26,850	1,32,42,553
Opening balance as at April 1, 2021	1,30,325	35,99,362	7,62,450	18,16,235	22,60,160	38,47,172	8,26,850	1,32,42,553
Additions	-	1,43,199	2,60,133	39,08,436	4,00,946	17,75,352	-	64,88,066
Disposals	-	(25,000)	(1,80,994)	-	(30,000)	(9,07,755)	-	(11,43,749)
Transfers	-	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-	-
Classified as assets held for sale	-	-	-	-	-	-	-	-
Change due to revaluaton (if 10% or more)	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	1,30,325	37,17,561	8,41,589	57,24,671	26,31,106	47,14,769	8,26,850	1,85,86,870

Accumulated depreciation

Particulars	Air Conditioners	Computers other than Laptops	Office Equipments (Mobile Phone Handsets)	Office Equipments (other than mobile phones)	Furniture & Fixtures	Laptops	Lease hold Improvement	Total
Opening balance as at April 1, 2020	2,71,192	33,22,844	5,47,214	16,61,907	23,94,245	36,15,763	8,26,850	1,26,40,014
Accumulated depreciation and impairment	-	-	-	-	-	-	-	-
Depreciation charge for the year	4,850	15,11,471	2,54,495	6,32,701	2,74,355	10,93,129	-	37,71,000
Disposals	(1,47,762)	(25,95,460)	(4,53,545)	(13,92,303)	(10,49,199)	(28,50,580)	-	(84,88,848)
Assets written off	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-
Change due to revaluaton (if 10% or more)	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	1,28,280	22,38,855	3,48,165	9,02,305	16,19,401	18,58,312	8,26,850	79,22,166
Opening balance as at April 1, 2021	1,28,280	22,38,855	3,48,165	9,02,305	16,19,401	18,58,312	8,26,850	79,22,166
Accumulated depreciation and impairment	-	-	-	-	-	-	-	-
Depreciation charge for the year	1,924	11,13,135	2,28,347	15,83,658	2,83,672	12,06,572	-	44,17,307
Disposals	-	(20,530)	(1,10,411)	-	-	(5,63,888)	-	(6,94,828)
Assets written off	-	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-	-
Change due to revaluaton (if 10% or more)	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	1,30,203	33,31,460	4,66,101	24,85,963	19,03,072	25,00,997	8,26,850	1,16,44,645
Net carrying amount as at March 31, 2022	122	3,86,101	3,75,488	32,38,709	7,28,034	22,13,773	-	69,42,225
Net carrying amount as at March 31, 2021	2,045	13,60,507	4,14,285	9,13,931	6,40,760	19,88,860	-	53,20,387

Note 3 (a) - Right of Use Assets

(Amounts in Indian Rupees)

Gross carrying amount

Particulars	Leasehold Property (Mumbai- Mistry Bhavan)	Leasehold Property (Delhi)	Leasehold Property (Mumbai for MD & CEO)	Leasehold Property (Mumbai- Appejay House)	Furniture & Fixture	Office Equipments (Printer)	Total
Opening balance as at April 1, 2020	-	91,41,838	-	1,41,93,745	1,09,74,545	1,59,831	3,44,69,959
Additions	9,34,25,990	1,37,075	-	9,26,820	-	-	9,44,89,885
Disposals	-	-	-	(1,51,20,565)	(1,09,74,545)	-	(2,60,95,111)
Transfers	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-
Classified as assets held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2021	9,34,25,990	92,78,913	-	-	-	1,59,831	10,28,64,734
Opening balance as at April 1, 2021	9,34,25,990	92,78,913	-	-	-	1,59,831	10,28,64,734
Additions	-	8,35,750	24,28,104	-	-	-	32,63,854
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-
Classified as assets held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2022	9,34,25,990	1,01,14,663	24,28,104	-	-	1,59,831	10,61,28,588

Accumulated depreciation

Particulars	Leasehold Property (Mumbai- Mistry Bhavan)	Leasehold Property (Delhi)	Leasehold Property (Mumbai for MD & CEO)	Leasehold Property (Mumbai- Appejay House)	Furniture & Fixture	Office Equipments (Printer)	Total
Opening balance as at April 1, 2020	-	14,68,032	-	61,51,286	47,56,149	23,975	1,23,99,443
Accumulated depreciation and impairment	-	-	-	-	-	-	-
Depreciation charge for the year	90,83,082	17,65,008	-	41,30,480	28,62,926	69,260	1,79,10,756
Disposals	-	-	-	(1,02,81,767)	(76,19,075)	-	(1,79,00,842)
Assets written off	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2021	90,83,082	32,33,040	-	-	-	93,235	1,24,09,357
Opening balance as at April 1, 2021	90,83,082	32,33,040	-	-	-	93,235	1,24,09,357
Accumulated depreciation and impairment	-	-	-	-	-	-	-
Depreciation charge for the year	-	15,71,384	5,28,277	1,55,70,999	-	52,982	1,77,23,641
Disposals	-	-	-	-	-	-	-
Assets written off	-	-	-	-	-	-	-
Assets classified as held for sale	-	-	-	-	-	-	-
Balance as at March 31, 2022	90,83,082	48,04,424	5,28,277	1,55,70,999	-	1,46,216	3,01,32,998
Net carrying amount as at March 31, 2022	8,43,42,908	53,10,239	18,99,827	(1,55,70,999)	-	13,614	7,59,95,589
Net carrying amount as at March 31, 2021	8,43,42,908	60,45,873	-	-	-	66,596	9,04,55,377

This note provide information for leases where the Company is a lessee. The Company leases various properties, furniture & fixtures and office equipment's. Rental contracts are typically made for fixed periods of 12 months to 3 years, but may have extension option.

SBICAP Trustee Company Limited**Note 3(b) - Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. This note provides information for leases where the Company is a lessee. The Company leases various properties, furniture & fixtures and office equipment's. Rental contracts are typically made for fixed periods of 12 months to 3 years, but may have extension option.

The following is the movement in lease liability:

(Amounts in Indian Rupees)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Opening Balance	9,10,63,561	2,20,60,264
Add: Lease liability created	21,87,872	9,00,71,839
Add: Interest on lease liability	82,59,963	62,19,795
Add/(Less): Lease modification	6,34,217	(77,78,258)
Less: Repayment of lease liability	2,14,49,195	1,95,10,079
Total	8,06,96,418	9,10,63,561

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Lease Liabilities		
Current	1,84,57,839	1,28,75,941
Non- Current	6,22,38,579	7,81,87,621
Total	8,06,96,418	9,10,63,561

The Company has taken certain premises on short term leases and leases of low value and lease rent charged in respect of same have been charged under Rent expenses in Note. 30 to the statement of Profit and Loss. Lease rent amounting to Rs.34,22,388/- (2021: Rs. 28,16,277/-) has been debited to statement of profit and loss during the year ended March 31, 2022.

The total cash outflow for leases for the period ended 31st March 2022 was Rs. 2,14,49,195/- (2021: Rs. 1,95,10,078/-)

Note 4 - Intangible assets

Gross carrying amount

(Amounts in Indian Rupees)

Particulars	Computer Software
Gross carrying amount	
Opening balance as at April 1, 2020	2,18,31,037
Addition	17,05,654
Assets written off	-
Adjustments on account of borrowing costs	-
Revaluations/Impairment	-
Others (Specify nature)	-
Balance as at Mar 31, 2021	2,35,36,691
Opening balance as at April 1, 2021	2,35,36,691
Addition	1,03,67,050
Assets written off	-
Adjustments on account of borrowing costs	-
Revaluations/Impairment	-
Others (Specify nature)	-
Balance as at March 31, 2022	3,39,03,741
Accumulated amortisation	
Particulars	Computer Software
Opening balance as at April 1, 2020	1,70,19,768
Depreciation charge for the year	39,64,937
Disposals	(83,000)
Assets written off	-
Others (Specify nature)	-
Balance as at Mar 31, 2021	2,09,01,705
Opening balance as at April 1, 2021	2,09,01,705
Depreciation charge for the year	15,81,159
Disposals	-
Assets written off	-
Others (Specify nature)	-
Balance as at March 31, 2022	2,24,82,864
Net carrying amount as at March 31, 2022	1,14,20,877
Net carrying amount as at March 31, 2021	26,34,986

1. All Intangible assets held by the company are purchased and not internally generated.

SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2022
(Amounts in Indian Rupees)

Note 5 -Non current- Investments

Particulars	31-Mar-22	31-Mar-21
Non-Current		
Investment carried at amortised cost		
Investment in Bond- quoted		
8.01% 15000, bonds of Indian Infrastructure Finance Company Limited (Taxfree) of Rs. 1,000/- each	1,50,00,000	1,50,00,000
	1,50,00,000	1,50,00,000
Investment carried at fair value through profit and loss		
Investment in Equity Instruments - Parent's Subsidiaries (unquoted)		
1000 (previous year: 1000) shares of SBI Foundation Ltd of Rs 10 each	10,010	10,010
	10,010	10,010
Total	1,50,10,010	1,50,10,010

Total Non-current investments	1,50,10,010	1,50,10,010
Aggregate amount of quoted investment	1,50,00,000	1,50,00,000
Aggregate market value of quoted investment	1,59,00,000	1,64,70,000
Aggregate amount of unquoted investment	10,010	10,010
Aggregate amount of impairment in the value of the investment	-	-

Note 6 - Other financial assets

Particulars	31-Mar-22	31-Mar-21
Term deposits more than 12 Months	36,85,29,525	-
Security deposits	84,34,712	76,07,168
Total	37,69,64,237	76,07,168

Note 7 - Deffered Tax Assets

Particulars	31-Mar-22	31-Mar-21
Total Deferred tax Assets	12,04,09,079	13,87,01,664
Total Deferred tax liabilities	(1,91,28,090)	(2,27,67,618)
Net deffered tax assets	10,12,80,989	11,59,34,046

Note 8 - Non-current tax assets (net)

Particulars	31-Mar-22	31-Mar-21
Advance tax and TDS (net of provision)	1,07,54,868	1,27,44,904
Total	1,07,54,868	1,27,44,904

Note 9 - Other non-current assets

Particulars	31-Mar-22	31-Mar-21
Prepaid expenses	15,58,131	30,378
Total	15,58,131	30,378

SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2022

(Amounts in Indian Rupees)

Note 10 - Trade receivables

Particulars	31-Mar-22	31-Mar-21
Considered good - Secured	-	-
Considered good - Unsecured	14,60,35,839	30,86,07,429
Less: Allowance for Expected Credit Losses	(9,97,80,271)	(9,30,52,324)
Total	4,62,55,568	21,55,55,105

Trade Receivables ageing schedule -31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,37,01,616	2,10,63,973	1,31,44,177	34,50,385	31,54,078	8,45,14,230
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	9,69,278	7,31,500	1,53,01,091	2,58,45,726	1,86,74,014	6,15,21,609
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

*In the current financial year, the Company has provided 100% provision for the cases under NCLT proceeding and other than NCLT cases, where there is significant increase in credit risk.

Trade Receivables ageing schedule -31st March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	11,46,07,196	7,17,26,766	3,53,48,399	-	-	22,16,82,362
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	1,80,94,429	28,41,585	3,91,05,780	86,32,151	1,82,51,122	8,69,25,067
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

Note 11 - Cash and cash equivalents

Particulars	31-Mar-22	31-Mar-21
Balances with Banks		
In current accounts	65,67,883	1,13,59,291
Deposits with maturity of less than three months	61,19,53,925	65,31,54,699
Cash on hand	16,357	4,025
Total	61,85,38,165	66,45,18,015

There are no repatriation restrictions with regard to cash & cash equivalents as at the end of the reporting period and prior periods

SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2022
(Amounts in Indian Rupees)

Note 12 - Bank Balance other than cash & cash equivalents

Particulars	31-Mar-22	31-Mar-21
In Current Account - Escrow accounts	-	-
Balances with Banks		
In term deposit with maturity of more than three months but less than twelve months	33,04,05,844	28,72,25,436
Total	33,04,05,844	28,72,25,436

Note 13 - Other financial assets

Particulars	31-Mar-22	31-Mar-21
<u>Interest accrued on financial asset- measured at amortised cost</u>		
On fixed deposit	3,52,69,426	5,63,42,708
On Investment [IIFCL Tax Free Bonds]	4,64,141	4,64,141
On Income Tax refund	-	11,61,000
Advances	2,19,965	29,828
Security deposits	-	6,54,950
Expense Recoverable from client/others	10,17,538	2,13,275
Less : Provision for expected credit loss	(1,09,771)	(1,09,771)
Total	3,68,61,299	5,87,56,132

Note 14 - Current Tax Asset

Particulars	31-Mar-22	31-Mar-21
Advance Tax and TDS	9,73,87,765	13,58,27,194
Less: Provision for current tax	(6,08,89,000)	(7,82,62,000)
Total	3,64,98,765	5,75,65,194

Note 15 - Other current assets

Particulars	31-Mar-22	31-Mar-21
Cersai fees receivable	3,35,900	3,97,670
GST input tax Credit	40,07,703	3,69,442
Prepaid expenses	24,45,390	18,49,130
Total	67,88,994	26,16,242

Note 16 - Share capital

Particulars	31-Mar-22	31-Mar-21
Equity share capital		
A) Authorised share capital 20,00,000 (previous year 20,00,000) Equity Shares of Rs.10/- each	2,00,00,000	2,00,00,000
B) Issued, subscribed and paid up 10,00,000 (previous year 10,00,000) Equity Shares of Rs. 10/- each fully paid up at par.	1,00,00,000	1,00,00,000
Total issued, subscribed and Fully paid-up share capital	1,00,00,000	1,00,00,000

C) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :

Equity Shares	31-Mar-22	31-Mar-21
At the beginning of the year		
No. of Shares	10,00,000	10,00,000
Equity Share Capital	1,00,00,000	1,00,00,000
At the end of the year		
No. of Shares	10,00,000	10,00,000
Equity Share Capital	1,00,00,000	1,00,00,000

D) Terms and 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. The distribution will be in proportion to the number of equity shares held by the shareholders.

E) Details of shareholder holding more than 5% shares is set out below :

Name of shareholder	31-Mar-22	31-Mar-21
SBI Capital Markets Limited & Its nominees		
No. of Shares held	10,00,000	10,00,000
% of shareholding	100	100

F) Other details of equity shares for a period of five years immediately preceding March 31, 2022:

Not applicable as there is no movement in share capital during the last 5 years

G) Shares held by holding/ultimate holding company and/or their subsidiaries/associates :

Particulars	31-Mar-22	31-Mar-21
Issued, subscribed and fully paid-up		
Equity Shares		
10,00,000 Equity shares (previous year 10,00,000) of Rs.10/- each fully paid are held by SBI Capital Markets Limited, the Holding Company.	1,00,00,000	1,00,00,000

(H) Shareholding of Promoters:

Shares held by promoters at the end of the year	31-Mar-22	31-Mar-21
SBI Capital Markets Limited & Its nominees		
No. of Shares held	10,00,000	10,00,000
% of shareholding	100	100

Note 17 - Reserves and surplus

Particulars	31-Mar-22	31-Mar-21
A) General reserve		
Balance as per the last financial statements	11,55,17,432	10,25,35,587
Add: Transferred from surplus in the Statement of Profit and Loss	1,57,07,115	1,29,81,846
Closing Balance	13,12,24,547	11,55,17,432
B) Retained Earnings		
Balance as per the last financial statements	93,91,68,153	1,01,74,97,601
Add: Profit for the year	15,70,71,148	12,98,18,456
Add/(Less): Opening Ind AS 115 Impact	-	(19,50,86,391)
Add/(Less): Effects of Prior period error (Ind AS 115)	5,24,73,180	-
Balance as on 31st March 2022/ 31st March 2021	1,14,87,12,481	95,22,29,666
Less: Transfer to General reserve	(1,57,07,115)	(1,29,81,846)
Add/(Less): Other Comprehensive Income (OCI)	2,10,110	(79,668)
Closing Balance	1,13,32,15,477	93,91,68,153
Total	1,26,44,40,023	1,05,46,85,585

Nature and purpose of reserves

General Reserve:

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General Reserve will not be reclassified subsequently to statement of profit and loss.

Note 18 - Other financial liabilities (non current)

Particulars	31-Mar-22	31-Mar-21
Trust Settlement Fees	21,02,200	17,53,100
Total	21,02,200	17,53,100

Note 19 - Contract liabilities

Particulars	31-Mar-22	31-Mar-21
Contract Liabilities (Revenue received in advance)		
- Current	7,17,48,682	9,78,06,093
- Non Current	21,31,82,124	25,59,66,111
Total	28,49,30,806	35,37,72,204

Significant changes in contract liabilities:

Particulars	31-Mar-22	31-Mar-21
Contract liabilities - Opening	35,37,72,204	-
Add: Contract liabilities recognised during the year(Net)	29,12,51,429	63,44,78,714
Add: Interest expenses recognised during the year	2,34,62,221	1,79,95,126
Less: Transferred to revenue	(36,67,04,705)	(29,77,03,124)
Less: Written back of contract liabilities due to Bad debts/NCLT	(1,68,79,388)	(9,98,513)
Contract liabilities - Closing	28,49,01,761	35,37,72,203

Note 20 - Non-current-Provisions

Particulars	31-Mar-22	31-Mar-21
Provision for Gratuity	9,53,361	11,96,716
Total	9,53,361	11,96,716

Note 21 - Trade payables

Particulars	31-Mar-22	31-Mar-21
Trade Payable : Micro and small enterprises	-	-
Trade Payable : Others	9,99,385	14,50,421
Total trade payables	9,99,385	14,50,421

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	9,99,385	-	-	-	-	9,99,385
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iii) Disputed dues – Others	-	-	-	-	-	-

Trade Payable Ageing Schedule - March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	14,50,421	-	-	-	-	14,50,421
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iii) Disputed dues – Others	-	-	-	-	-	-

Note 22 - Other financial liabilities (Current)

Particulars	31-Mar-22	31-Mar-21
Retention monies	-	39,613
Trust Settlement Fees	1,87,000	1,46,100
Accrued Expenses payable	12,96,521	7,69,536
Total	14,83,521	9,55,249

Note 23 - Current provisions

Particulars	31-Mar-22	31-Mar-21
Provision for employee benefits- Bonus	75,00,000	55,00,000
Provision for Compensated Absences	79,85,894	70,87,325
Total	1,54,85,894	1,25,87,325

Note 24 - Other current liabilities

Particulars	31-Mar-22	31-Mar-21
Cersai Fees payable	3,41,619	3,19,919
Statutory dues	22,36,235	81,89,300
Income received in advance	1,16,06,100	-
Total	1,41,83,954	85,09,219

SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2022

(Amounts in Indian Rupees)

Note 25 - Revenue from operations

Particulars	31-Mar-22	31-Mar-21
Revenue from contracts with customers		
Trusteeship acceptance fees and service charges	38,35,84,093	29,98,79,212
Trusteeship Income from Will Services	64,210	63,540
	38,36,48,303	29,99,42,752
Other Operating Revenue		
Legal & Documentation Charges	9,30,000	7,80,000
CERSAI Fees Income	20,67,800	22,40,900
	29,97,800	30,20,900
Total	38,66,46,103	30,29,63,652

(i) Contract Balances as at:

Particulars	31-Mar-22	31-Mar-21
Trade receivables	4,62,55,568	21,55,55,105
Contract Liabilities	28,49,30,806	35,37,72,204

(ii) Management expects that Rs. 7,17,48,682 (25.18%) of the transaction price allocated to the unsatisfied contracts as of 31 March 2022 will be recognised as revenue during the next reporting period. The remaining Rs. 21,31,82,124 (74.82%) will be recognised in more than one year. The amount disclosed above does not include variable consideration which is constrained.

(iii) Reconciliation of Gross revenue from contracts with customers

Particulars	31-Mar-22	31-Mar-21
Gross Revenue	37,29,68,199	32,94,25,760
Add : Interest expenses recognised	2,34,62,221	1,79,95,126
Less : Contract liabilities	(1,28,46,327)	(4,75,41,675)
Net Revenue recognised from Contracts with customers	38,35,84,093	29,98,79,212

(iv) All the contracts are for periods of one year or less or are billed based on time incurred. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

(v) The amounts receivable from customers become due after expiry of credit period which on an average is less than 30 days. Company receives the amounts from customers at the time of acceptance of Consent letter, whereas the underlying services are provided over the contract term which generally exceed 1 year, Hence such revenue is recognised considering the impact of financing component.

Note 26 - Other Income

Particulars	31-Mar-22	31-Mar-21
Interest Income from financial assets measured at amortised cost	5,39,11,636	5,65,67,309
Gain on sale of Mutual fund	39,38,872	-
Excess Provision Written Back	55,903	1,48,544
Interest levied on delayed payment	-	65,64,178
Miscellaneous Income	41,013	1,35,332
Bad Debts Recovered	42,35,804	55,41,957
Unwinding of discount on security deposits	5,70,114	13,74,331
Interest on Income Tax refund	51,09,485	17,13,880
Total	6,78,62,827	7,20,45,531

Note 27 - Employee benefit expenses

Particulars	31-Mar-22	31-Mar-21
Salaries, wages and bonus	5,81,17,315	5,37,75,078
Contribution to provident fund	19,37,917	18,19,619
Gratuity	7,59,380	7,79,617
Leave compensation	18,26,112	16,09,388
Staff welfare expenses	22,88,314	18,69,997
Total	6,49,29,038	5,98,53,699

SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2022

Note 29 - Finance Cost

(Amounts in Indian Rupees)

Particulars	31-Mar-22	31-Mar-21
Interest expense charged on lease liabilities	82,59,963	62,19,795
Unwinding of Interest expense Ind AS 115	2,34,62,221	1,79,95,126
Total	3,17,22,184	2,42,14,921

Note 28 - Depreciation and amortisation expense

Particulars	31-Mar-22	31-Mar-21
Depreciation of property, plant and equipment	44,17,307	37,71,000
Depreciation of right-of-use assets -refer note 3(a)	1,77,23,641	1,79,10,756
Amortisation of intangible assets	15,81,159	39,64,937
Total	2,37,22,107	2,56,46,693

Note 30 - Other expenses

Particulars	31-Mar-22	31-Mar-21
Rental charges	34,22,388	28,16,277
Rates and Taxes	43,195	1,07,112
Insurance	13,08,579	2,19,364
Legal and Professional Fees	96,08,402	1,02,98,490
Payment to Auditor	5,46,900	5,54,850
Printing and Stationery	7,41,908	25,25,217
Travel and conveyance	30,68,558	39,09,217
Advertisement and business development charges	15,15,812	12,55,356
Water and electricity charges	14,05,211	14,26,960
House Keeping & Security Expenses	37,73,789	20,62,555
Repairs and Maintenance	61,11,066	59,97,146
Royalty Expenses	25,96,370	41,03,761
Corporate social responsibility expenditure	43,91,712	42,80,000
Telephone and communication charges	14,31,850	8,89,720
Provision for Doubtful Debts	67,27,947	3,00,60,286
Bad Debts Written off	6,83,64,893	1,39,37,173
Document Scanning Charges (DMS Project)	8,49,114	29,23,333
Miscellaneous Expenses	30,69,037	16,58,261
Loss on sale of Asset	64,730	1,62,129
Other gain/ (losses)	1,30,941	4,16,012
Total	11,91,72,401	8,96,03,219

Note No. 31

The company in its capacity as a trustee has been receiving and holding amounts in its ESCROW accounts on behalf of its clients. The company was previously disclosing these amounts in the balance sheet as an asset in the "Other bank balances" along with a corresponding liability in "Other financial liabilities". During the current year, the company is of the view that since the company does not derive any economic benefit from the amounts held by it in the ESCROW accounts and since it cannot direct and control the use of amounts it is not appropriate to classify these amounts as an asset in the balance sheet. Accordingly, this error has been corrected as per Ind AS 8, by restating the error retrospectively and presenting the third balance sheet as at the beginning of the preceding period (i.e 1 April 2020).

Due to the above restatement the entire amounts held in the ESCROW account and the corresponding liability in other financial liabilities have been derecognised from the books of accounts and have been separately disclosed in note no. 47.

There is no effect of these restatements on the profit & loss account of these periods.

Further, due to the impact of the derecognition of these amounts the related notes and comparative figures of the cash flow statement have been restated for the financial year 2020-21 and 2021-22.

a) Impact of correction of error in the balance sheet as at 1st April 2020

(Amounts in Indian Rupees)

Particulars	As previously reported	Adjustments	As Restated
ASSETS			
Non-current assets			
Property, plant and equipment	39,79,686	-	39,79,686
Right-of-use-assets	2,20,70,517	-	2,20,70,517
Intangible assets	48,11,270	-	48,11,270
Financial assets			
- Investments	1,50,10,010	-	1,50,10,010
- Other financial assets	25,54,96,667	-	25,54,96,667
Deferred tax assets (net)	1,80,69,742	-	1,80,69,742
Non-current tax assets (net)	8,15,90,897	-	8,15,90,897
Other non-current assets	12,86,330	-	12,86,330
Total non-current assets	40,23,15,119	-	40,23,15,119
Current assets			
Financial assets			
- Investments	-	-	-
- Trade receivables	16,67,24,562	-	16,67,24,562
- Cash and cash equivalents	41,62,81,855	-	41,62,81,855
- Bank Balances other than mentioned above	16,02,34,138	(1,26,06,398)	14,76,27,740
- Other financial assets	4,11,33,265	-	4,11,33,265
Current Tax assets (net)	3,59,513	-	3,59,513
Other current assets	18,23,876	-	18,23,876
Total current assets	78,65,57,208	(1,26,06,398)	77,39,50,810
TOTAL ASSETS	1,18,88,72,327	(1,26,06,399)	1,17,62,65,929
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,00,00,000	-	1,00,00,000
Other equity			
- Reserves and surplus	1,12,00,33,188	-	1,12,00,33,188
TOTAL EQUITY	1,13,00,33,188	-	1,13,00,33,188
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	-	-	-
Lease liabilities	76,69,157	-	76,69,157
-Others financial liabilities	17,97,497	-	17,97,497
Contract liabilities			
Provisions	9,20,892	-	9,20,892
Other non-current liabilities			
Total non-current liabilities	1,03,87,546	-	1,03,87,546
Current liabilities			
Financial liabilities			
Borrowings			
Lease liabilities	1,43,91,107	-	1,43,91,107
- Trade payables			
'(a) total outstanding dues of micro and small enterprises	-	-	-
'(b) total outstanding dues other than (a) above	12,92,931	-	12,92,931
- Other financial liabilities	1,33,29,853	(1,26,06,398)	7,23,455
Contract liabilities			
Provisions	1,33,45,584	-	1,33,45,584
Other current liabilities	60,92,118	-	60,92,118
Total current liabilities	4,84,51,593	(1,26,06,397)	3,58,45,196
TOTAL LIABILITIES	5,88,39,139	(1,26,06,397)	4,62,32,741
TOTAL EQUITY AND LIABILITIES	1,18,88,72,327	(1,26,06,397)	1,17,62,65,929

b) Impact of correction of error in the balance sheet as at 31st March 2021

(Amounts in Indian Rupees)

Particulars	As previously reported	Adjustments	As Restated
ASSETS			
Non-current assets			
Property, plant and equipment	53,20,388	-	53,20,388
Right-of-use-assets	9,04,55,377	-	9,04,55,377
Intangible assets	26,34,987	-	26,34,987
Financial assets			
- Investments	1,50,10,010	-	1,50,10,010
- Other financial assets	76,07,168	-	76,07,168
Deferred tax assets (net)	11,59,34,046	-	11,59,34,046
Non-current tax assets (net)	1,27,44,904	-	1,27,44,904
Other non-current assets	30,379	-	30,379
Total non-current assets	24,97,37,258	-	24,97,37,258
Current assets			
Financial assets			
- Investments	-	-	-
- Trade receivables	21,55,55,105	-	21,55,55,105
- Cash and cash equivalents	66,45,18,015	-	66,45,18,015
- Bank Balances other than mentioned above	33,13,10,660	(4,40,85,224)	28,72,25,436
- Other financial assets	5,86,52,628	1,03,504	5,87,56,132
Current Tax assets (net)	5,75,65,194	-	5,75,65,194
Other current assets	26,16,242	-	26,16,242
Total current assets	1,33,02,17,844	(4,39,81,720)	1,28,62,36,124
TOTAL ASSETS	1,57,99,55,102	(4,39,81,721)	1,53,59,73,381
EQUITY AND LIABILITIES			
Equity			
Equity share capital	1,00,00,000	-	1,00,00,000
Other equity			
- Reserves and surplus	1,05,46,85,585	-	1,05,46,85,585
TOTAL EQUITY	1,06,46,85,585	-	1,06,46,85,585
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	-	-	-
Lease liabilities	7,81,87,621	-	7,81,87,621
-Others financial liabilities	17,53,100	-	17,53,100
Contract liabilities	25,59,66,111	-	25,59,66,111
Provisions	11,96,716	-	11,96,716
Other non-current liabilities	-	-	-
Total non-current liabilities	33,71,03,548	-	33,71,03,548
Current liabilities			
Financial liabilities			
Borrowings			
Lease liabilities	1,28,75,941	-	1,28,75,941
- Trade payables	-	-	-
'(a) total outstanding dues of micro and small enterprises	-	-	-
'(b) total outstanding dues other than (a) above	14,50,421	-	14,50,421
- Other financial liabilities	4,49,36,970	(4,39,81,721)	9,55,249
Contract liabilities	9,78,06,093	-	9,78,06,093
Provisions	1,25,87,325	-	1,25,87,325
Other current liabilities	85,09,219	-	85,09,219
Total current liabilities	17,81,65,969	(4,39,81,720)	13,41,84,248
TOTAL LIABILITIES	51,52,69,517	(4,39,81,720)	47,12,87,796
TOTAL EQUITY AND LIABILITIES	1,57,99,55,102	(4,39,81,720)	1,53,59,73,381

SBICAP Trustee Company Limited

Note 32 - Income tax expense

A. The major components of income tax expense for the year are as under:

(Amounts in Indian Rupees)

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Current tax		
In respect of current year	6,08,89,000	7,82,62,000
In respect of earlier year	-	-
Total (A)	6,08,89,000	7,82,62,000
Deferred tax		
Origination of reversal of temporary differences	(29,96,949)	(3,23,51,810)
Impact of change in tax rate		
Total (B)	(29,96,949)	(3,23,51,810)
Income Tax recognized in the statement of Profit and Loss (A+B)	5,78,92,051	4,59,10,190
Income tax expenses recognized in OCI	-	-
Income tax relating to items that will not be classified to profit or loss	70,673	1,38,266
Total	5,79,62,724	4,60,48,456

(b) Movement of tax expenses and the accounting profit for the year is as under:

Particulars	As at Mar 31, 2022	As at Mar 31, 2021
Profit before income tax expense	21,49,63,199	17,56,90,650
Enacted tax rates in India	25.17%	25.17%
Income tax expenses	5,41,06,237	4,42,21,337
Tax effect on amounts which are not deductible (taxable) in calculating taxable income	70,85,180	3,43,43,081
Tax on Income from exempt from tax	(3,02,418)	(3,02,418)
Total Tax expenses as per statement of profit and loss	6,08,89,000	7,82,62,000

The applicable Indian corporate statutory tax rate for the year ended March 31, 2022 and March 31, 2021 is 25.17%. The reduction in corporate statutory tax rate to 25.17% is consequent to Introduction of section 115BAA in Income Tax Act,1961

Deferred tax assets/(liabilities)

(Amounts in Indian Rupees)

Particulars	As at 31 March 2022	As at 31 March 2021
Tax Assets/(Liabilities) due to temporary timing difference in respect of:		
Provision on Gratuity	2,39,961	3,01,213
Provision on Gratuity- OCI	(70,673)	(1,38,266)
Provision on compensated leave	20,10,050	17,83,880
Provision for doubtful debts	2,51,42,323	2,34,48,899
Lease liability	2,03,11,288	2,29,20,698
Depreciation on fixed assets	10,59,046	13,47,851
Contract Liability	8,93,67,090	2,34,24,625
Contract Liability- impact on equity	(1,76,50,006)	6,56,12,763
Deferred tax assets	12,04,09,079	13,87,01,664
Right-of-use asset	(1,91,28,090)	(2,27,67,618)
Deferred tax liabilities	10,12,80,989	11,59,34,046
Less : Opening Deferred Tax Asset	11,59,34,046	1,81,07,739
Less: Ind AS 115 Impact- Opening	(1,76,50,006)	6,56,12,763
Deferred tax credit / (expense) for the year	29,96,949	3,22,13,544
Carried to statement of Profit and Loss	30,67,622	3,23,51,810
Carried to Other Comprehensive Income	(70,673)	(1,38,266)

Movement of Deferred tax assets and Liabilities

As at March 31, 2022

	As at April 1, 2021	Credit/(Charge) in the statement of profit and loss	Credit/(Charge) in the Retained earning	Credit/(Charge) in other comprehensive income	As at March 31, 2022
Movement during the year ended March 31, 2022					
Allowances for doubtful debts	2,34,48,899	16,93,424			2,51,42,323
Provision for post retirement benefits	19,46,828	3,03,183		(70,673)	21,79,337
Difference between book and tax depreciation	13,47,851	(2,88,805)		-	10,59,046
Right-of use-assets	(2,27,67,618)	36,39,528		-	(1,91,28,090)
Lease liability	2,29,20,698	(26,09,410)		-	2,03,11,288
Contract Liabilities	8,90,37,388	3,29,701	(1,76,50,006)	-	7,17,17,084
Net deferred tax assets/(liabilities)	11,59,34,046	30,67,622	(1,76,50,006)	(70,673)	10,12,80,989

As at March 31, 2021

	As at April 1, 2020	Credit/(Charge) in the statement of profit and loss	Credit/(Charge) in the Retained earning	Credit/(Charge) in other comprehensive income	As at March 31, 2021
Movement during the year ended March 31, 2021					
Allowances for doubtful debts	1,58,82,725	75,66,174	-	-	2,34,48,899
Provision for post retirement benefits	18,28,972	2,56,121	-	(1,38,266)	19,46,828
Difference between book and tax depreciation	3,60,626	9,87,225	-	-	13,47,851
Right-of use-assets	(55,55,150)	(1,72,12,469)	-	-	(2,27,67,618)
Lease liability	55,52,568	1,73,68,130	-	-	2,29,20,698
Contract Liabilities	-	2,34,24,625	6,56,12,763	-	8,90,37,388
Net deferred tax assets/(liabilities)	1,80,69,742	3,23,89,806	6,56,12,763	(1,38,266)	11,59,34,046

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

Note 33- Related Parties

As per Indian Accounting Standard on related party disclosures (Ind AS 24), the names of the related parties of the Company are as follows:

A Related party where control exists irrespective whether transactions have occurred or not

Name of the Party	Relationship	% of holding
State Bank of India	Ultimate Holding Company	-
SBI Capital Markets Limited	Holding Company	100%

B Other related parties where transactions have occurred during the year

Name of the Party	Relationship
a. Fellow Subsidiaries	SBICAP Ventures Ltd
	SBICAP Securities Ltd
	SBI Funds Management Pvt. Limited
	SBI Life Insurance Company Limited
	SBI Cards & Payment Services Limited
	SBI General Insurance Co Ltd
	SBI Foundation Limited
b. Directors and Key Managerial Personnel of the Company	
Managing Director & CEO	Shri Bharat Mishra
	(from 3 rd November 2021 onwards)
	Shri Rajasekhar Raghavan
	(from 14 th December 2017 to 3 rd November 2021)
Shri. Arun Mehta	Chairman, Director
Shri. B.R.S Satyanaryana	Nominee Director
Shri. Balkrishna Vinayak Chaubal	Independent and Non-Executive Director
Shri. J Chandrasekaran	Nominee Director
Smt. Manju S. Bolakani	Non-Executive Director
Shri. Sanjay Panse	Non-Executive Director
Company Secretary	
	Smt. Aayushi Sanghavi, Company Secretary (from 1st December 2021 onwards)
	Smt. Anupama Naidu, Company Secretary (10th September 2020 to 30th November 2021)

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

Amount in Rs.

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary		Key Managerial Personnel	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
Income and Expense items:								
Expenses during the year ended								
Salary & Allowances								
Deputation of Employees*	39,13,846	30,84,479						
* the deputation cost is towards compensation to KMP, which is not paid to the KMP directly, but paid as reimbursement to the ultimate holding company								
Smt. Anupama Naidu							6,89,325	6,10,355
Smt. Aayushi Sanghavi							2,50,004	-
Ex-gratia paid								
Shri Rajashekhar Raghavan							4,66,679	9,45,146
Shri Bharat Mishra							4,01,876	-
Director's Sitting Fees								
Shri. J Chandrasekaran							4,70,000	2,08,000
Shri. Sanjay Panse							2,90,000	-
Shri. Balkrishna Vinayak Chaulal							4,40,000	-
Rent Expense	26,80,399	25,74,273	-					
Internet Expense			76,413	-				
(As reimbursement to the holding company)								
Bank & Other Charges	7,965	5,879						
Royalty Expense	25,96,370	41,03,761						
Insurance Expense								
SBI General Insurance Co. Ltd					2,16,037	22,79,856		
SBI Life Insurance Company Limited					6,30,828	4,66,994		
Business Development								
SBI Cards & Payment Services Ltd.					19,415	55,932		
Contribution towards CSR								
SBI Foundation			-	25,50,000				
Income during the year ended								
Trusteeship Fees	1,16,62,150	3,41,14,558	22,000	24,000				
SBICAP Ventures Limited								
Neev fund					5,00,000	5,00,000		
SME fund AIF					1,96,575	2,50,000		
SWAMIIH Investment Fund					2,50,000	3,22,131		

Particulars	Ultimate Holding Company		Holding Company		Fellow Subsidiary		Key Managerial Personnel	
	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21	Mar-22	Mar-21
Interest on Fixed deposits	5,27,10,136	5,53,65,809						
Gain on redumption of Mutual Fund								
SBI Funds Management Pvt. Limited					39,38,872	-		
Balance Sheet Items:								
Share Capital			1,00,00,000	1,00,00,000				
Balance receivable as at								
Receivables	1,61,94,525	7,57,824	-	2,360				
SBICAP Ventures Limited					-	5,48,894		
Bank Balance	65,67,883	5,54,44,516						
Deposit with Bank	1,31,08,89,294	94,03,80,135						
Accured interest on Deposit with Banks	3,52,69,426	5,63,42,708						
Prepaid Expenses								
SBI General Insurance Co. Ltd					-	2,16,037		
SBI Life Insurance Company Limited					6,98,831	6,30,828		
Investments								
SBI Foundation Limited					10,010	10,010		
Balance payable as at								
Provision for doubtful debts	1,61,94,525	1,58,253	-	118				
SBICAP Ventures Limited (SME fund AIF)					-	1,35,168		
Provision for Expenses (Deputation cost payable to SBI)	3,50,000	3,40,000						

- Outstanding balances are unsecured and repayable in cash

Note: 34 Employee Benefits**A. Gratuity**

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

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

Reconciliation of Defined benefit obligation**Amount in Rs.****Changes in defined benefit obligation**

Particulars	Year ended	
	31st March 2022	31st March 2021
Opening of defined benefit obligation	37,01,471	30,26,818
Current service cost	6,93,110	7,32,990
Past service cost	-	-
Interest on defined benefit obligation	2,38,922	2,08,167
Amount recognised in Profit and loss account	9,32,032	9,41,157
Remeasurements due to :		
- Actuarial loss/(gain) arising from change in financial assumptions	(73,222)	(22,152)
- Actuarial loss/(gain) arising from change in demographic assumptions	-	-
- Actuarial loss/(gain) arising on account of experience changes	(1,70,253)	(1,77,063)
Amount recognised in other comprehensive income	(2,43,475)	(1,99,215)
Benefits paid	(6,97,621)	(67,289)
Closing of defined benefit obligation	36,92,407	37,01,471

Movement in plan Assets

Particulars	Year ended	
	31st March 2022	31st March 2021
Opening fair value of plan assets	25,04,755	21,05,926
Employer contributions	7,21,952	4,45,195
Interest on plan assets	1,72,652	1,61,540
Remeasurements due to :		
- Actual return on plan assets less interest on plan assets	37,308	(1,40,617)
Benefits paid	(6,97,621)	(67,289)
Closing fair value of plan assets	27,39,046	25,04,755

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

Particulars	Year ended	
	31st March 2022	31st March 2021
Investments with insurer	100%	100%

Balance sheet**Net asset/(liability) recognised in the balance sheet:**

Particulars	Year ended	
	31st March 2022	31st March 2021
Present value of the funded defined benefit obligation	36,92,407	37,01,471
Fair value of plan assets at the end of the year	27,39,046	25,04,755
Liability recognised in the balance sheet (i-ii)	9,53,361	11,96,716

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

Statement of profit & loss

Expenses recognised in the Statement of profit and loss:

Amount in Rs.

Particulars	Year ended	
	31st March 2022	31st March 2021
Current service cost	6,93,110	7,32,990
Past service cost	-	-
Expected return on plan assets	66,270	46,627
Total expense charged to profit and loss account	7,59,380	7,79,617

Statement of other Comprehensive Income (OCI)

Particulars	Year ended	
	31st March 2022	31st March 2021
Opening amount recognized in OCI outside profit and loss account	9,518	68,116
Remeasurements during the period due to:		
<i>Changes in financial assumptions</i>	(73,222)	(22,152)
<i>Changes in demographic assumptions</i>	-	-
<i>Experience adjustment</i>	(1,70,253)	(1,77,063)
Actual return on plan assets less interest on plan assets	(37,308)	1,40,617
Adjustment to recognized the effect of asset ceiling	-	-
Closing amount recognized in OCI outside profit and loss account	(2,71,265)	68,116

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Particulars	Year ended	
	31st March 2022	31st March 2021
	%	%
Discount rate	7.15	7.00
Salary Escalation rate	8.00	8.00

Sensitivity Analysis

The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points

Particulars	Discount Rate	Salary Escalation Rate
Defined Benefit obligation on increase in 50 bps	34,63,002	39,41,706
Impact of increase in 50 bps on DBO	-6.21%	6.75%
Defined Benefit obligation on decrease in 50 bps	39,45,002	34,63,714
Impact of decrease in 50 bps on DBO	6.84%	-6.91%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Investment details of plan assets**Projected plan cash flow:**

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

Maturity Profile	(in Rs.)
Expected benefits for year 1	2,26,955.00
Expected benefits for year 2	2,54,244.00
Expected benefits for year 3	1,01,664.00
Expected benefits for year 4	1,04,886.00
Expected benefits for year 5	1,10,829.00
Expected benefits for year 6	6,87,524.00
Expected benefits for year 7	96,997.00
Expected benefits for year 8	1,02,883.00
Expected benefits for year 9	1,09,707.00
Expected benefits for year 10	99,28,634.00

The weighted average duration to the payment of these cash flows is 13.03 years

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

Risk exposure to defined benefit plan

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

Inherent Risks:

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Disaggregation of Plan Assets

Particulars	Year ended	
	31st March 2021	
	Quoted Value	Non- Quoted Value
Property	-	-
Government debt instruments	-	-
Other debt instruments	-	-
Equity instruments	-	-
Insurer managed funds	-	27,39,046
Others	-	-
Grand Total		27,39,046

Particulars	Year ended	
	31st March 2022	
	Quoted Value	Non- Quoted Value
Property	-	-
Government debt instruments	-	-
Other debt instruments	-	-
Equity instruments	-	-
Insurer managed funds	-	25,04,755
Others	-	-
Grand Total		25,04,755

B. Compensated Absence

The liability towards compensated absences for the year ended March 31, 2022 is based on actuarial valuation carried out by using the projected unit credit method.

Particulars	Year ended	
	31st March 2022	31st March 2021
	%	%
Discount rate	7.15	7.00
Salary Escalation rate	8.00	8.00
Attrition rate	2.00 - 5.00	2.00 - 5.00
Retirement Age	60.00	60.00
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

SBICAP Trustee Company Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

Note: 35 Fair Value Measurements

Amount in Rs.

(i) Financial instruments by category

The carrying amounts of financial instruments by class are as follows :

Particulars	As at March 31, 2022	As at March 31, 2021
A. Financial assets		
I. Measured at amortized cost		
- Investments		
Investment in Bond- quoted	1,50,00,000	1,50,00,000
Security deposits	84,34,712	76,07,168
Other financial assets	36,85,29,525	-
Trade receivables	4,62,55,568	21,55,55,105
Cash and cash equivalents	61,85,38,165	66,45,18,015
Bank Balances other than mentioned above	33,04,05,844	28,72,25,436
Other financial assets	3,68,61,299	5,87,56,132
II. Measured at fair value through profit and loss (FVTPL)		
Investments		
Investment in Equity Instruments - Parent's Subsidiaries (unquoted)	10,010	10,010
Total Financial assets	1,42,40,35,124	1,24,86,71,866
B. Financial liabilities		
I. Measured at amortized cost		
Lease liabilities	8,06,96,418	9,10,63,561
Trust settlement fees	22,89,200	18,99,200
Trade payables	9,99,385	14,50,421
Other financial liabilities	14,83,521	8,09,149
Total Financial liabilities	8,54,68,524	9,52,22,331

(ii) Fair Value Hierarchy:

Financial assets and liabilities measured at fair value through profit and loss -recurring fair value measurements	Level 3	
	As at March 31, 2022	As at March 31, 2021
Financial assets		
Investment in Equity Instruments - Parent's Subsidiaries (unquoted)*	10,010	10,010
Total Financial Assets	10,010	10,010
Financial liabilities	-	-

* There is no movements in Level 3 Financial instruments measured at fair value

SBICAP Trustee Company Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

Amount in Rs.

(iii) Fair value of financial assets measured at amortised cost, other than those with carrying amounts which are reasonable approximations of their fair values:

Particulars	31-Mar-22		31-Mar-21	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
- Investments				
Investment in Bond- quoted	1,50,00,000	1,59,00,000	1,50,00,000	1,72,50,000
Total Financial assets	1,50,00,000	1,59,00,000	1,50,00,000	1,72,50,000
Financial liabilities				
-Trust settlement fees	22,89,200	22,89,200	18,99,200	18,99,200
Total Financial liabilities	22,89,200	22,89,200	18,99,200	18,99,200

-The carrying amount of trade receivable, trade payable, other financial liabilities, cash and cash equivalents, Bank Balance other than cash & cash equivalents and other current financial assets are considered to be the same as their fair value, due to their short term nature.

-for financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair value

-fair values for investment in security deposits and other non current financial assets were calculated based on cash flows discounted using a current lending rate and they are classified as level 3 fair values hierarchy.

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

Note 36: Financial risk management objectives and policies

Risk Management Framework

The Company has established a comprehensive system for risk management and internal controls for all its businesses to manage the risks that it is exposed to. The objective of its risk management framework is to ensure that various risks are identified, measured and mitigated and also that policies, procedures and standards are established to address these risks and ensure a systematic response in the case of crystallisation of such risks.

The Company has exposure to the following risk arising from financial instruments:

a) Credit Risk

b) Liquidity Risk

C) Market Risk

The Company has established various policies with respect to such risks, mitigation strategies and internal controls to be implemented. The Board oversees the Company's risk management and has risk management policy in place. It frames and reviews risk management processes and controls.

a) Credit Risk

It is risk of financial loss that the Company will incur a loss because its customer or counterparty to financial instruments fails to meet its contractual obligation.

The Company's financial assets comprise of Cash and bank balance, Securities for trade, Trade receivables, Loans, Investments and other financial assets which comprise mainly of deposits.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable, Debt instruments in Securities for trade and investment portfolio.

Following provides exposures to credit risk for trade receivables, bank deposits and Investments:

(Amounts in Indian Rupees)

Particulars	As at March-22	As at March-21
Trade Receivables	4,62,55,568	21,55,55,105
Debt Instruments in Securities for trade and Investment portfolio	1,32,58,99,304	95,53,90,145
Total	1,37,21,54,872	1,17,09,45,250

Trade Receivables

The Company has followed simplified method of ECL in case of Trade receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing transaction. At each reporting date, the Company assesses the impairment requirements.

The expected credit loss rates are based on the payment profiles over a period of 24 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward looking information on macro economic factors affecting the ability of the customers to settle the receivables.

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

Following table provides information about rate Expected credit loss for trade receivables under simplified approach:

As at March 31, 2022:

Amount in Rs.

Age of Trade Receivables	Expected Credit Loss Rate		Gross Carrying Amount		Expected Credit Loss	Net Carrying Amount
	Other than NCLT cases	NCLT cases/ other than NCLT cases where there is significant credit risk	Other than NCLT cases	NCLT cases/ other than NCLT cases where there is significant credit risk		
0-3 Months	5%	100%	3,89,08,419	9,69,278	29,14,699	3,69,62,998
3-6 Months	10%	100%	30,88,616	17,04,581	20,13,443	27,79,754
6-9 Months	15%	100%	17,82,101	-	2,67,315	15,14,786
9-12 Months	20%	100%	62,47,537	1,37,65,836	1,50,15,343	49,98,030
12-15 Months	30%	100%	-	1,59,13,294	1,59,13,294	-
15-18 Months	40%	100%	-	52,37,894	52,37,894	-
18-21 Months	50%	100%	-	19,11,267	19,11,267	-
21-24 Months	60%	100%	-	53,82,812	53,82,812	-
24 Months and above	100%	100%	-	5,11,24,204	5,11,24,204	-
Total			5,00,26,674	9,60,09,166	9,97,80,271	4,62,55,569

As at March 31, 2021:

Age of Trade Receivables	Expected Credit Loss Rate		Gross Carrying Amount		Expected Credit Loss	Net Carrying Amount
	Other than NCLT cases	NCLT cases	Other than NCLT cases	NCLT cases		
0-3 Months	5%	40%	6,06,30,575	1,66,88,988	97,07,124	6,76,12,439
3-6 Months	10%	40%	5,39,76,621	14,05,441	59,59,839	4,94,22,224
6-9 Months	15%	40%	64,87,270	19,09,436	17,36,865	66,59,841
9-12 Months	20%	40%	6,52,39,496	9,32,149	1,34,20,759	5,27,50,887
12-15 Months	30%	40%	52,56,351	1,10,45,781	59,95,218	1,03,06,914
15-18 Months	40%	40%	1,27,56,570	1,17,31,657	97,95,291	1,46,92,937
18-21 Months	50%	50%	19,85,027	44,58,355	32,21,691	32,21,691
21-24 Months	60%	60%	1,53,50,451	1,18,69,985	1,63,32,263	1,08,88,173
24 Months and above	100%	100%	-	2,68,83,275	2,68,83,275	-
Total			22,16,82,362	8,69,25,067	9,30,52,324	21,55,55,105

The gross carrying amount of trade receivables is Rs. 14,60,35,839/- (2021: Rs. 30,86,07,429/-)

Reconciliation of impairment allowance on trade receivables

Amount in Rs.

Particulars	Amount
Impairment allowance on 1st April 2021	9,31,62,095
Created during the year	67,27,947
Impairment allowance on 31st March 2022	9,98,90,042

Credit risk on cash and cash equivalents is limited to the current account and deposit account balance with banks with high credit ratings assigned by International and domestic credit rating agencies. Investments comprised of Mutual Funds which are market tradeable. Other financial assets include deposits for assets acquired on lease, deposit with electricity department and interest accrued on securities but not due.

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

b) Liquidity Risk

Liquidity represents the ability of the Company to generate sufficient cash flow to meet its financial obligations on time, both in normal and in stressed conditions, without having to liquidate assets or raise funds at unfavourable terms thus compromising its earnings and capital.

Liquidity risk is the risk that the Company may not be able to generate sufficient cash flow at reasonable cost to meet expected and / or unexpected claims. It arises in the funding of lending, trading and investment activities and in the management of trading positions.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable investments at an amount in excess of expected cash outflow on financial liabilities.

(ii) Maturities of financial assets and liabilities

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments at at March 31, 2022.

(Amounts in Indian Rupees)

Particulars	Less than 1 year	1-5 years	Greater than 5 years	Total
Financial assets				
Investment in Bond- quoted	-	1,50,00,000	-	1,50,00,000
Investment in Equity Instruments - Parent's Subsidiaries (unquoted)	-	-	10,010	10,010
Security deposits	-	84,34,712	-	84,34,712
Other financial assets		36,85,29,525		36,85,29,525
Trade receivables	4,62,55,568	-	-	4,62,55,568
Cash and cash equivalents	61,85,38,165	-	-	61,85,38,165
Bank Balances other than mentioned above	33,04,05,844	-	-	33,04,05,844
Other financial assets	3,68,61,299	-	-	3,68,61,299
Total financial assets	1,03,20,60,877	39,19,64,237	10,010	1,42,40,35,124
Financial liabilities				
Lease liabilities	1,84,57,839	6,22,38,579	-	8,06,96,418
Trade Payable	9,99,385	-	-	9,99,385
Trust settlement fees	1,87,000	21,02,200	-	22,89,200
Other financial liabilities- Current	14,83,521	-	-	14,83,521
Total financial liabilities	2,11,27,745	6,43,40,779	-	8,54,68,524

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments at at March 31, 2021.

(Amounts in Indian Rupees)

Particulars	Less than 1 year	1-5 years	Greater than 5 years	Total
Financial assets				
Investment in Bond- quoted	-	1,50,00,000	-	1,50,00,000
Investment in Equity Instruments - Parent's Subsidiaries (unquoted)	-	-	10,010	10,010
Security deposits	-	76,07,168	-	76,07,168
Other financial assets	5,87,56,132	-	-	5,87,56,132
Trade receivables	21,55,55,105	-	-	21,55,55,105
Cash and cash equivalents	66,45,18,015	-	-	66,45,18,015
Bank Balances other than mentioned above	28,72,25,436	-	-	28,72,25,436
Total financial assets	1,22,60,54,688	2,26,07,168	10,010	1,24,86,71,866
Financial liabilities				
Lease liabilities	1,43,91,107	76,69,157	-	9,10,63,561
Trade Payable	14,50,421	-	-	14,50,421
Trust settlement fees	1,40,100	17,97,497	-	18,99,200
Other financial liabilities- Current	8,09,149	-	-	8,09,149
Total	1,67,90,777	94,66,654	-	9,52,22,331

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

C) Market Risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or the market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices and interest rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns. The Company classifies exposures to market risk into either trading or non-trading portfolios. Both the portfolios are managed using the following sensitivity analyses:

i) Interest rate risk

The company's investments are primarily in fixed rate interest/ dividend bearing instruments. Accordingly there is no significant risk exposure to interest rate risk.

ii) Price Risk

Price risk is the risk that value of the financial instrument will fluctuate as a result of change in market prices and related market variables including interest rate for investment in mutual funds and debt securities, whether caused by factors specific to an individual investment, its issuer and markets. The company's exposure to price risk arises from investments in unquoted equity securities and debt securities units of mutual funds which are classified as financial assets at fair value through profit and loss.

Sensitivity Analysis

The table below set out the effect on profit or loss and equity due to reasonable possible weakening/strengthening in prices of 10%

(Amounts in Indian Rupees)

Particulars	As at March-22	As at March-21
Effect on profit and loss after tax		
Investment in Equity Instruments - Parent's Subsidiaries (unquoted)		
10% increase in prices	1,001	1,001
10% decrease in prices	(1,001)	(1,001)
Effect on Equity		
10% increase in prices	-	-
10% decrease in prices	-	-

Note: 37 Capital Management

Risk Management

For the purpose of capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity shareholders.

The company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the company. The company determines the capital requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through cash flows generated from operations.

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

(Amounts in Indian Rupees)

38 Earnings per equity share (EPS)

The computation of basic and diluted earnings per share is given below:

Particulars	Year ended March-22	Year ended March-21
Profit after tax	15,70,71,148	20,51,88,068
Weighted average number of equity shares:		
- For Basic EPS (No.)	10,00,000	10,00,000
- For Diluted EPS (No.)	10,00,000	10,00,000
Nominal value per share (Rs.)	10	10
Earnings per share		
- Basic in Rs.	157.07	205.19
- Diluted in Rs.	157.07	205.19

39 Contingent Liabilities and Commitments:

Particulars	As at 31 March 2022	As at 31 March 2021
Contingent Liabilities:		
Claims against the Company/disputed liabilities not acknowledged as debts		
<u>For Income tax matters</u>		
Income tax demand under dispute (AY 2012-13)- matter is with ITAT*	-	2,16,979
Income tax demand under dispute (AY 2017-18)- matter is pending with CIT(A)*	-	6,55,506

*ITAT & CIT(A) has given an order in favour of the company

The company's pending litigations comprises proceedings pending with Tax Authorities, the Company has reviewed all its pending litigations and proceedings.

40 Managerial Remuneration

Remuneration, including allowances, to MD & CEO

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Shri Rajasekhar Raghavan		
Short term employee benefits	24,19,279	35,48,551
Post employee benefits	2,80,133	4,47,374
Shri Bharat Mishra		
Short term employee benefits	18,75,689	-
Post employee benefits	2,06,798	-
Total	47,81,899	39,95,925

As the future liability for gratuity and compensated leave absences is provided on actuarial basis for the Company as a whole, the amount pertaining to the directors is not ascertainable and therefore not included above.

There is no commission payable to any director of the Company. Consequently, the computation of profits as required under Section 198 of the Companies Act, 2013 has not been included.

41 Auditor's Remuneration

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
- Audit Fees	1,72,000	1,72,000
- Tax Audit	1,40,000	1,40,000
- Limited Review	1,05,000	1,05,000
- CFS & Other Certification	1,20,000	1,30,000
- Out-of-pocket expenses	9,900	7,850
Total payments to auditors	5,46,900	5,54,850

42 Segment Reporting**- Primary Segment**

The Company's operations falls under a single business segment of Financial services. The Company is engaged in providing Corporate Trusteeship Activities. As per the views of the Company's chief operating decision maker, business activities primarily falls within a single operating segment, no additional disclosure is to be provided under IND AS 108 - Operating Segments, other than those already provided in the financial statements.

- Geographical Segment

The Company operates in one geographic segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

43 Statement of corporate social responsibility expenditure

(a) Details of CSR expenditure during the financial year :

Nature of expenses	Schedules in the financial statements	For the year ended March 2022	For the year ended March 2021
Corporate social responsibility expenditure	Other expenses	43,91,712	42,80,000

The CSR committee constituted by the Board of Directors of the Company under provisions of the Section 135 of the Act supervises all the expenditure incurred for CSR purposes. Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year ended 31 March 2022

b) Gross amount required to be spent during the year		43,50,000	42,63,000
c) Amount spent during the year on			
- (i) Construction/acquisition of any asset		-	-
- (ii) On purposes other than (i) above - in cash		43,91,712	42,80,000
d). Shortfall at the end of the year and reason for shortfall is....		-	-
(e). Amount spent during the year on CSR activities through related parties:			
(i) Contribution to a trust controlled by the company in relation to CSR expenditure			
(i) Other related party expenditure			
SBI Foundation Limited		-	25,50,000

SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2022

44 Micro and small enterprises

There are no micro, small and medium enterprises, to which company owes dues, as at March 31, 2022. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 that has been determined to the extent such parties have been identified on the basis of information available with the Company.

45 Previous year figures have been regrouped/reclassified/restated to correspond with the figures of the current year.

46 Events occurring after the balance sheet date

There have been no events after the reporting date that require disclosure in these financial statements.

47 Balances held in Escrow account on behalf of clients:

Amount in Rs.

Particulars	As at 31 March 2022	As at 31 March 2021
A) In Current Account - Escrow accounts	3,96,63,339	4,40,85,224
B) Amount held in escrow account for remittance	3,87,57,914	4,39,81,721
C) Expenses Recoverable from Clients	9,05,424	1,03,504
Total (B+C)	3,96,63,339	4,40,85,224

Analytical Ratios:	Units	Mar-22	Mar-21	% Variance	Reason for Variances
Current Ratio (Current Asset/ Current Liabilities)	Times	8.79	9.59	-8%	
Debt-Equity Ratio (debt/ Shareholder's fund)	Times	0.06	0.09	-26%	The ratio has decreased due to reduction in lease liability.
Return on Equity/Investment Ratio (Net Profit after tax/ Shareholder's fund)	%	12%	12%	1%	
Trade Receivables turnover Ratio (Operating Income/ Average trade receivable)	Times	1.70	1.44	18%	
Net capital turnover Ratio (Operating Income/Shareholder's fund)	Times	0.30	0.28	7%	
Net profit Ratio (Net Profit after tax/Operating Income)	%	41%	43%	-5%	
Return on Capital Employed (Earning before interest and Tax /Capital employed)	%	16%	14%	11%	

For Desai Associates
Chartered Accountants

Firm Registration No. 102286W

Sd/-
Shree Gopal Didwaniya
Partner
Membership No.139202

Place:Mumbai
Date: 20/04/2022

For and on behalf of the Board of Directors
SBICAP Trustee Company Limited

Sd/-
B.R.S. Satyanarayana
Director
DIN: 09200848

Sd/-
Bharat Mishra
MD & CEO
DIN: 08116907

Sd/-
Aayushi Sanghavi
Company Secretary
Membership No. A52128