

SBICAP Ventures Limited
Balance sheet as at 31st March 2020


(Rs in Lakhs)

Particulars	Note No	As at	
		31st Mar 2020	31st Mar 2019
ASSETS			
Financial Assets			
Cash and cash equivalents	3	78	37
Receivables			
Trade Receivables	4	174	462
Loans			-
Investments	5	8,249	5,824
Other Financial assets	6	34	34
Total Financial Assets		8,535	6,357
Non-financial Assets			
Current tax Assets (Net)	8	24	27
Property, Plant and Equipment	10	57	59
Other non-financial assets	9	6	4
Total Non - Financial Assets		87	90
TOTAL ASSETS		8,622	6,447
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Other financial liabilities	11	20	45
Total Financial Liabilities		20	45
Non-Financial Liabilities			
Deferred tax Liabilities (Net)	7	3	37
Provisions	12	275	130
Other non-financial liabilities	13	40	83
Total non financial Liabilities		318	250
EQUITY			
Equity Share capital	14	6,038	4,998
Other Equity	15	2,246	1,154
Total Equity		8,284	6,152
TOTAL LIABILITIES AND EQUITY		8,622	6,447
Significant Accounting Policies	1		

The accompanying notes are an integral part of these financial statements

As per our attached Report of even date

For Mahendra Kumbhat & Associates
Chartered Accountants
(FRN : 105770W)


Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709



Place : Mumbai
Date : 20th April 2020



For and on behalf of the Board
SBICAP Ventures Limited


Naresh Yadav
(Director)
DIN:08590165

Kirti Saruparia
(CFO)


Mahendra Kumar Sharma
(WTD & CEO)
DIN:08250736

Ankita Shrivastav
(CS)



SBICAP Ventures Limited
Statement of Profit and Loss for the year ended 31st March 2020


(Rs in Lakhs)

Particulars	Note No	For the Year Ended	
		31st Mar 2020	31st Mar 2019
Revenue from operations			
Fees and Commission Income	16	2,545	911
Interest Income	17	-	-
Dividend Income	18	-	-
Total Revenue from Operations		2,545	911
Other Income	20	36	1
Total Income		2,581	912
Expenses			
Employee Benefits Expense	21	699	464
Depreciation and Amortization	22	12	14
Net loss on fair value changes	19	60	64
Others expenses	23	347	293
Total Expenses		1,118	835
Profit/(loss) before tax		1,463	77
Tax Expense:			
(1) Current Tax	24	397	80
(2) Deferred Tax	24	(35)	(65)
Total tax expense		362	15
Profit/(loss) after tax for the period		1,101	62
Other Comprehensive Income			
Actuarial losses on defined benefit plan		(8)	-
Other comprehensive income for the period, net of tax		(8)	-
Total comprehensive income for the period, net of tax		1,093	62
Earnings per Equity share (in Rupees)			
Basic(Face Value of Rs 10 each)	25	1.95	0.12
Diluted (Face Value of Rs 10 each)		1.95	0.12
Significant Accounting Policies	1		

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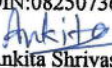
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SBICAP Ventures Limited
Statement of Cash Flows for the Year ended 31st March 2020

(Rs in Lakhs)


Particulars	For the Year ended	
	31st Mar 2020	31st Mar, 2019
A. Cash Flow From Operating Activities		
Net Profit /(Loss) before Taxation	1,463	77
Adjustment for :		
Depreciation	12	14
Short Term Capital Gain on Sale of Mutual Fund Units	(62)	(139)
Long Term Capital Gain on Pipe Fund Redemption	-	(31)
Changes in Fair Value of Financial Assets through FVTPL	122	234
Share of STCG on sale of MF Units by Neev Fund	-	-
Loss on sale of Fixed Assets	-	0
Interest Income		
Operating Profit / (Loss) before Working Capital Changes	1,535	155
(Increase)/Decrease in Current Assets	(1)	(1)
(Increase)/Decrease in Financial Assets		(18)
(Increase)/Decrease in Trade Receivables	288	(275)
(Increase)/Decrease in Financial Assets		
Increase/(Decrease) in Financial Liabilities	(25)	431
Increase/(Decrease) in Non financial liabilities	93	130
Cash generated form operations	1,890	423
Tax paid during the period	(394)	(106)
Net Cash From Operating Activities	1,496	317
B. Cash Flow From Investment Activities		
Investment in Alternative Investment Funds	(1,866)	(2,049)
(Increase)/Decrease in Investments	(681)	510
Interest Income		
Short Term Capital Gain on Sale of Mutual Fund Units	62	139
Long Term Capital Gain on Pipe Fund Redemption	-	31
Share of STCG on sale of MF Units by Neev Fund		
Sale of Assets	-	0
Purchase of Assets	(10)	(5)
Net Cash From Investing Activities	(2,495)	(1,374)
C. Cash Flow From Financing Activities		
Proceeds from Issue of shares	1,040	1,070
Net Cash From Financing Activities	1,040	1,070
Net Increase (Decrease) In cash and cash Equivalent	41	13
Cash And Cash Equivalent (Opening Balance)	37	24
Cash And Cash Equivalent (Closing Balance)	78	37
Notes:		
1) Cash and cash equivalents include:		
Cash in Hand	0	0
Balances with bank in Current Account	78	37
	78	37

The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) Statement of Cash Flows.

The accompanying notes are an integral part of these financial statements

As per our attached Report of even date


For Mahendra Kumbhat & Associates
Chartered Accountants
(FRN : 105770W)


Amar Chand Bagrecha
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Place: Mumbai
Date: 20th April 2020



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SBICAP Ventures Limited
Statement of changes in equity for the year ended 31st March 2020

A. Equity Share Capital

Particulars	No. of shares	Amount(in Lakhs)
Balance as at April 1, 2019	4,99,77,917	4,998
Changes in equity share capital	1,04,00,000	1,040
Balance as at March 31, 2020	6,03,77,917	6,038

B. Other Equity

Particulars	Security premium reserve	Retained earnings	Capital redemption reserve	(Rs in Lakhs) Total equity
Balance as at April 1, 2019	-	1,060	94	1,154
Profit for the period	-	1,101	-	1,101
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	2,161	94	2,255
Dividends paid	-	-	-	-
Inter-Reserve Transfer	-	-	-	-
Other Movements	-	-	-	-
Balance as at March 31, 2020	-	2,161	94	2,255

The accompanying notes are an integral part of these financial statements

As per our attached Limited Review Report of even date



For Mahendra Kumbhat & Associates
Chartered Accountants
(FRN : 105770W)



Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709

Place : Mumbai
Date : 20th April 2020



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SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

A) Company Overview

SBICAP Ventures Limited (hereinafter referred to as “the Company”) is a unlisted public limited company domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office address of the company is No. 202, Maker Tower, 'E', 20th Floor, Cuffe Parade, Colaba, Mumbai-400005. The corporate office of the Company is located at 1501 B, Tower 1C, One Indiabulls Centre, Senapati Bapat Marg, Elphinstone (W) Mumbai - 400 013, India.

The Company has been providing services of fund manager to Neev fund and SWAMIH Investment Fund I.

The Neev Fund is registered with the Securities and Exchange Board of India (“SEBI”) as a Category I Alternative Investment Fund – Infrastructure Fund (“Category I Infra AIF”) under the provisions of the SEBI (Alternative Investment Fund) Regulations, 2012 (“AIF Regulations”). The sponsor and investment manager of the Fund is SBICAP Ventures Limited (“the Company”). The company also acts as investment manager to SME fund launched on 19th November 2018.

SWAMIH Investment Fund I, a Category II AIF registered under SEBI AIF Regulations. The fund has been incorporated to provide finance to stalled housing projects. It had its first close on 6th December 2020. The company is investment manager for the fund.

The Company is a wholly owned subsidiary of SBI Capital Markets Limited.

1. 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 and Recent Accounting Developments

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. The company is covered under definition of NBFCs as per MCA notification dated 30th March 2016. Therefore the financials statements have been prepared as per format prescribed by MCA for Non Banking Financial Companies.

ii. Basis of measurement

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

- certain financial instruments that are measured at fair value;
- defined benefit plans- plan assets measured at fair value;



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

iii. Recent Accounting Developments

With effect from 01st April 2019, Ind AS-116 Leases (Ind AS 116) supersedes Ind AS 17 Leases. The company has adopted Ind AS 116, effective annual reporting period beginning 01st April 2019 and applied the standard to its leases on prospective basis. The detail disclosure with respect to Ind AS 116 is given in Note no. 31.

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,

b. Foreign Currencies

The company's financial statements are presented in INR, which is also the company's functional currency. The amounts have been rounded off to nearest lakhs as per the requirement of schedule III unless otherwise stated.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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 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

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 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**

Base Management Fees are accrued and recognized at the end of each quarter period and paid in arrears on the basis of contribution agreement entered into with contributors.

- **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.

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 which exactly discounts estimated future cash receipts through the expected life of financial assets to that asset's net carrying amount on initial recognition.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

- **Dividend Income**

Dividend income from investments is recognized 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).

- **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

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.

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 recognize 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.

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

Depreciation is recognized 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 and mobiles	3	SLM
Office Equipment (other than mobile phones)	5	SLM
Electrical fittings	10	SLM
Furniture & Fixtures	10	SLM
Plant & Machinery	15	SLM
Plant & Machinery (Electric fittings)	8	SLM



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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

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

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

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at April 1, 2017 measured as per the Previous GAAP as the deemed cost of the property, plant and equipment.

e. 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 assets and liabilities, where it has 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.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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

f. 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 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the 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.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

g. 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.

h. Financial Instruments

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

Financial Assets

a) Initial recognition and measurement

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



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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 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. 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.

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.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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 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.

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.

For trade receivables or any contractual right to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the 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.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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.

Financial liabilities at amortised cost

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

Loans and borrowings

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

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



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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.

i. Leases

Company as a Lessee

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.

The company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. 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 measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. For leases with reasonably similar characteristics, the company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. 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



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

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.

In accordance with the standard, the Company has elected not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value. Lease payments for short term leases and leases for which the underlying asset is of low value are recognized as an expense on a straight- line basis over the lease term in the statement of profit or loss.

Company as a Lessor

At the inception of the lease the company classifies each of its leases as either an operating lease or a finance lease. The company recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

If an arrangement contains lease and non-lease components, the company applies Ind AS 115 Revenue to allocate the consideration in the contract.

j. Borrowing Costs

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

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.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

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

n. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the 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

- 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.

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.



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

q. Employee Benefits

• Post-employment obligations

The Company operates the following post-employment schemes:

I. Defined benefit plans -Gratuity

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.

2. Critical Accounting Judgements and Estimates

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

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



SBICAP VENTURES LIMITED

Notes to financial statements for the year ended March 31, 2020

▪ Defined benefit plans

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

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

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

▪ Fair value measurement of financial instruments

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



SBICAP Ventures Limited
Notes to financial statements for the year ended 31st March , 2020
(Rs in Lakhs)

Note 3-Cash and Cash equivalents		As at	
Particulars	31st Mar 2020	31st Mar 2019	
(a) Cash and Cash equivalents			
Balances with banks			
- In current accounts	78	37	
- In Fixed Deposits		-	
Cash on hand	0	0	
Total	78	37	
(b) Bank balance other than (a) above			
Total	78	37	

Receivables		As at	
Particulars	31st Mar 2020	31st Mar 2019	
Note 4-Trade Receivables			
(i) Trade Receivables	174	462	
(ii) Receivable from related parties			
Less : Allowance for doubtful debts	-	-	
Total	174	462	
Break up of security details			
Secured, considered good		-	
Unsecured, considered good	174	462	
Doubtful	-	-	
Total	174	462	
Less : Allowance for doubtful debts	-	-	
Total Trade receivables	174	462	

Note 5-Investments		As at	
Particulars	31st Mar 2020	31st Mar 2019	
(a) Investment in Equity instruments			
- Quoted		-	
- Unquoted (At FVTPL)	0.10	0.10	
Total	0	0	
(b) Investments in Mutual funds			
- Quoted (At FVTPL)	1,746	1,055	
- Unquoted		-	
Total	1,746	1,055	
(c) Other non-current investments(AIF and Trusts)			
- Quoted	-	-	
- Unquoted (At FVTPL)	6,503	4,769	
Total	6,503	4,769	
Total	8,249	5,824	

The company has valued its investments at FVTPL. None of its investment are valued at amortised cost or FVTOCI.



SBICAP Ventures Limited

Notes to financial statements for the year ended 31st March , 2020

Note 6-Other Financial Assets

Particulars	As at	
	31st Mar 2020	31st Mar 2019
Accrued interest		-
Expenses Recoverable	0	0
Security deposits	34	34
Total	34	34

Note 7-Deferred Tax (Liability)/Asset

Particulars	As at	
	31st Mar 2020	31st Mar 2019
Deferred Tax (Liability)/Asset		
- Fair value of Investments	(3)	(37)
Total	(3)	(37)

Note 8-Current Tax Assets (Net)

Particulars	As at	
	31st Mar 2020	31st Mar 2019
Advance tax and TDS	504	224
Provision for tax	(480)	(197)
Total	24	27

Note 9-Other non-financial assets

Particulars	As at	
	31st Mar 2020	31st Mar 2019
Cenvat Credit Entitlement (Service Tax)	-	-
Prepaid Expenses	6	4
Total	6	4



SBICAP Ventures Limited
Notes to financial statements for the year ended 31st March , 2020
Note 10 - Property, plant and equipment

Particulars	Computers	Plant & Machinery (Note 1)	Office Equipments	Furniture & Fixtures	Electrical fittings	Total
Opening Gross carrying amount						
Additions	14	11				82
Disposals	9	1				10
Transfers			3	40	14	
Closing Gross carrying amount	23	12	3	40	14	92
Accumulated depreciation						
Depreciation charge for the period	9	2	1	8	2	23
Disposals	3	2	1	5	2	12
Closing Accumulated depreciation	12	4	2	13	4	35
Net Carrying Amount	11	8	0	28	10	57
Net carrying amount as at March 31, 2019	5	9	1	32	12	59
Net carrying amount as at March 31, 2020	11	8	0	28	10	57



SBICAP Ventures Limited**Notes to financial statements for the year ended 31st March , 2020****FINANCIAL LIABILITIES****(Rs in Lakhs)**

Note 11-Other financial liabilities	As at	
	31st Mar 2020	31st Mar 2019
Particulars		
Payable to Neev Fund	-	35
Outstanding liabilities	20	10
Total	20	45

NON-FINANCIAL LIABILITIES**(Rs in Lakhs)**

Note 12-Provisions	As at	
	31st Mar 2020	31st Mar 2019
Particulars		
Provision for gratuity	19	6
Provision for employee benefits	228	122
Others	28	2
Total	275	130

(Rs in Lakhs)

Note 13-Other non-financial liabilities	As at	
	31st Mar 2020	31st Mar 2019
Particulars		
Statutory Liabilities Payable	40	83
Total	40	83



SBICAP Ventures Limited

Notes to financial statements for the year ended 31st March , 2020

Note 14 - Share capital**Equity share capital****Authorised share capital**

As at 01.04.2019

Increase(decrease) during the period

As at 31.03.2020

No. In lakhs	Rs in lakhs
1,000	10,000
-	-
1,000	10,000

Issued equity capital

Equity shares of INR 10 each issued, subscribed and fully paid

As at 01.04.2019

Changes during the period

As at 31.03.2020

No. of shares	Rs in lakhs
4,99,77,917	4,998
1,04,00,000	1,040
6,03,77,917	6,038

Terms/ rights attached to equity shares

The company has only one class of shares referred to as equity shares. Each holder of equity shares is entitled to one vote per share.

Rights Issue

On 23th July 2019, the company has invited its shareholders to subscribe to rights issue of 1,04,00,000 shares at 10 Rs Each. The issue was fully subscribed and allotment was made on 29th August 2019

Shares of the company held by Holding Company

100% of the shares are held by SBI Capital markets Ltd & its nominees

Note 15 - Other Equity

(Rs in Lakhs)

Particulars	Retained earnings	Capital redemption reserve*	Total
Balance as at April 1, 2019	1,060	94	1,154
Profit for the period	1,101	-	1,101
Other comprehensive income for the period	-	-	(8)
Closing Balance	2,161	94	2,246

*Capital Redemption reserve has been created on buyback of shares



SBICAP Ventures Limited
Notes to financial statements for the year ended 31st March , 2020
(Rs in Lakhs)
Revenue from operations

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19

Note 16 - Fees and Comission Income

Management Fees	2,545	911
Fees and Comission Income Total	2,545	911

Note 17 - Interest Income

Interest on Bank Fixed Deposit	-	-
Interest from deposits with banks	-	-
Interest Income Total	-	-

Note 18 - Dividend Income

- Subsidiary Companies	-	-
- Others	-	-
	-	-

Note 19 - Net gain (loss) on fair value changes

- Instruments measured at Fair value through Profit & Loss		
Fair Value gain(loss) on MF, Neev Fund & Swamih Fund(Unrealised)	(122)	(234)
Short Term Capital Gain on sale of Mutual Fund Units (Realised)	62	139
Long Term Capital Gain on Pipe Fund Redemption (Realised)	-	31

Net gain (loss) on fair value changes Total	(60)	(64)
---	------	------

Note 20 - Other Income

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19
Miscellaneous Income	1	-
Reimbursements	35	0.50
Total	36	0.50

Note 21 - Employee Benefits Expense

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19
Salaries and Allowances	489	265
Incentives / Bonus (PLVP)	176	174
Gratuity	6	6
Leave Travel Expenses	5.13	3
Medical Expenses	3	2
Motor Car Reimbursement	6	4
Staff Welfare Expenses (including staff insurance)	14	10
Total	699	464

Note 22 - Depreciation, amortization and impairment

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19
Depreciation and amortisation expense	12	14
Total	12	14



SBICAP Ventures Limited

Notes to financial statements for the year ended 31st March , 2020

Note 23 - Others expenses

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19
Rent	85	77
Auditors' Remuneration	-	-
Remuneration to Statutory Auditor	2.25	2
Remuneration to Internal Auditor	2	1
Travelling Expenses	79	61
Offsite Expenses	-	22
Legal & Professional Fees	111	74
Investee Co Support Expenses(Portfolio Mgt)	17	17
Rates and Taxes	3	2
Directors' Sitting Fees	4	4
Membership & Subscription	13	6
Internet & Telephone exp	5	4
Computer Expense	5	3
Electricity Charges	2	2
Housekeeping Expense	5	4
Repairs and Maintains - Building	7	8
General Insurance Premium	0	0
Cantene & lunch	3	2
Other Miscellaneous Expenses	5	4
Loss on sale of Computer	-	0
Total	347	293

The company has incurred Rs 186 lakhs, Rs 16lakhs , Rs89 lakhs & Rs 27 lakhs on Neev Fund ,Affordable Housing Fund, SWAMIH Investment Fund land SME fund respectively in FY 2019-20(this excludes depreciation and allocation of common expenses)The expense incurred on AHF is not recoverable as fund is in process of dissolution owing to launch of SWAMIH Investment Fund I.

Note 24 - Tax Expense

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19
Current Tax	400	80
Taxation Previous Years	(3)	-
Deferred Tax	(35)	(65)
	362	15
Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:		
Accounting profit before income tax	1,577	311
Statutory income tax rate of 25.168% (Previous year -27.82%)	397	87
Less Long term gain on sale of Investment exempt under income tax	-	(9)
Add: Disallowance under Rule 8D	-	-
Add(less): Others	-	2
Deferred Tax Adjustment on account of fair valuation	(35)	(65)
At the effective income tax rate of 22.98% (31 March 2019: 4.73%)	362	15
Income tax expense reported in the statement of profit and loss	362	15

Note 25 - Earnings Per Share

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19
Profit attributable to Equity holders of the company	1,093	62
Weighted average number of Equity shares for EPS (in lakhs)	561	500
Earnings per Equity share (in Rupees)		
Basic(Face Value of Rs 10 each)	1.95	0.12
Diluted (Face Value of Rs 10 each)	1.95	0.12



SBICAP Ventures Limited
Notes to financial statements for the year ended 31st March, 2020

Note 26 - Related Party Transactions

a) Relationship

Disclosure of Related parties by virtue of control as per IND AS-24

Name of Related Party	Nature of Relationship
a) SBI Capital Markets Ltd. (Subsidiary of State Bank of India)	Holding Company
b) State Bank of India (Holding Company of SBI Capital Markets Ltd.)	Ultimate Holding company

List of related parties with whom transactions have taken place during the year

Name of Related Party	Nature of Relationship
a) SBI Capital Markets Ltd.	Holding Company
b) State Bank of India	Ultimate Holding company
c) SBICAP Trustee Company Ltd	Fellow subsidiary Company
d) SBI General Insurance Company Limited	Group Company
e) SBI Foundation	Group Company
f) Neev Fund Additional Return Trust	Trust for carried interest of Neev Fund- SVL investment is 75%
g) Mahendra Kumar Sharma	Key Management Personnel
h) Kirti Saruparia	Key Management Personnel
i) Ankita Shrivastav	Key Management Personnel

(Rs in Lakhs)						
Nature of Transaction	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company	Group Company	Key Managerial Personnel	Others
1) Expenses						
Salary and allowance (M.K. Sharma)					32	
Salary to Kirti Saruparia					(15)	
Salary to Ankita Shrivastav					14	
					(7)	
					13	
Royalty Payment	1.82				(8)	
Insurance Expenses	-					
Bank Charges	0			0		
	(0)			(0)		
Staff Insurance Premium (Reimbursements)		6				
Professional Fee & Travelling (reimbursements)		(3)				
		17				
Trusteeship fee		-				
			2			
			(2)			
2) Assets						
a) Investments						
SBI Foundation (closing balance)				0		
				(0)		
b) Bank Account (closing balance)	78					
	(37)					
c) Payables (reimbursements for health insurance)		2.00				
		-				
3) Other Transactions						
a) Rights Issue (SBICAPITAL Markets Ltd)		1,040				
		(1,070)				
b) Investments in Neev Fund Additional Return Trust						60
						-

Figures in bracket '()' relates to the comparative figures for the related party transaction for the Year ended 31st March, 2019 and balance outstanding are as on 31st March, 2019



SBICAP Ventures Limited**Notes to financial statements for the year ended 31st March , 2020****Note 27 - Disclosure required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	(Rs in Lakhs)	
	31st Mar, 2020	31st Mar, 2019
i) Principal amount remaining unpaid to any supplier	-	-
(ii) Interest due thereon remaining unpaid to any	-	-
(iii) The amount of interest paid along with the	-	-
(iv) The amount of interest due and payable for the	-	-
(v) The amount of interest accrued and remaining	-	-
(vi) The amount of further interest due and payable	-	-
	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 28 - Payment to auditors

Particulars	(Rs in Lakhs)	
	31st Mar, 2020	31st Mar, 2019
For statutory audit	0.75	0.5
For tax audit	0.50	0.5
For taxation matters	-	0
For other services	1.00	1
Reimbursement of expenses		
Total payments to the auditors	2.25	2

Note 29 Contingent liabilities and commitments

The company has capital commitments to the extent of Rs 350 lakhs towards Neev Fund as on 31st March 2020(Rs 1716 lakhs as on 31st March 2019)

There are no contingent liabilities as at 31st March, 20120(Nil as at 31 March 2019).



SBICAP Ventures Limited**Notes to financial statements for the year ended 31st March , 2020****Note30-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 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**Changes in defined benefit obligation****(Rs in Lakhs)**

Particulars	Year ended	
	31st March 2020	31st March 2019
Opening of defined benefit obligation	6	-
Current service cost	5	6
Interest on defined benefit obligation	0	
Remeasurements due to :		
- Actuarial loss/(gain) arising from change in financial assumptions	2	
- Actuarial loss/(gain) arising from change in demographic assumptions	2	
- Actuarial loss/(gain) arising on account of experience changes	4	
Benefits paid		
Closing of defined benefit obligation	19.41	6

Movement in plan Assets**(Rs in Lakhs)**

Particulars	Year ended	
	31st March 2020	31st March 2019
Opening fair value of plan assets	-	-
Employer contributions		
Interest on plan assets		
Remeasurements due to :		
- Actual return on plan assets less interest on plan assets		
Benefits paid		
Closing fair value of plan assets	-	-



SBICAP Ventures Limited

Notes to financial statements for the year ended 31st March , 2020

Balance sheet

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

Particulars	Year ended	
	31st March 2020	31st March 2019
Present value of the funded defined benefit obligation	-	-
Fair value of plan assets at the end of the year	-	-
Liability recognized in the balance sheet (i-ii)	-	-

Statement of profit & loss

Expenses recognised in the Statement of profit and loss:

Particulars	Year ended	
	31st March 2020	31st March 2019
Current service cost		
Past service cost	5	6
Expected return on plan assets	0	
Total expense charged to profit and loss account	6	6

Statement of other Comprehensive Income (OCI)

Particulars	Year ended	
	31st March 2020	31st March 2019
Opening amount recognized in OCI outside profit and loss account	-	-
Remeasurements during the period due to:		
<i>Changes in financial assumptions</i>	2	
<i>Changes in demographic assumptions</i>	2	
<i>Experience adjustment</i>	4	
Actual return on plan assets less interest on plan assets		
Adjustment to recognized the effect of asset ceiling		
Closing amount recognized in OCI outside profit and loss account	8	-

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

Particulars	Year ended	
	31st March 2020	31st March 2019
	%	%
Discount rate	7.50	6.80
Salary Escalation rate	10.00	10.00



SBICAP Ventures Limited

Notes to financial statements for the year ended 31st March , 2020

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	(Rs in Lakhs)	
	Discount Rate	Salary Escalation Rate
Defined Benefit obligation on increase in 50 bps	18	21
Impact of increase in 50 bps on DBO	-6.33%	6.69%
Defined Benefit obligation on decrease in 50 bps	21	18
Impact of decrease in 50 bps on DBO	6.93%	-6.18%

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.

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	Rs in Lakhs
Expected benefits for year 1	0
Expected benefits for year 2	0
Expected benefits for year 3	1
Expected benefits for year 4	1
Expected benefits for year 5	1
Expected benefits for year 6	1
Expected benefits for year 7	1
Expected benefits for year 8	1
Expected benefits for year 9	6
Expected benefits for year 10	44

The weighted average duration to the payment of these cash flows is 13.36 years



SBICAP Ventures Limited

Notes to financial statements for the year ended 31st March , 2020

Note31-Leases

1 Transition to Ind AS-116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, prospectively. Accordingly, the company has not restated comparative information of the previous year.

2 As a Lessee

For transition, the company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying Ind AS 37 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to exclusion of the commitments for the leases to which the company has chosen to apply the practical expedient or exemptions as per the standard.

- 3** 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. 24 to the statement of Profit and Loss. Lease rent amounting to Rs. 85 lakhs(2019-77 lakhs) has been debited to statement of profit and loss during the year ended 31 March 20.



Note 32 - Financial Instruments

1 Fair values

Set out below, is a comparison by class of the carrying amount and fair value of the financial instruments:

	Carrying value		Fair Value	
	31st Mar 2020	31st Mar 2019	31st Mar 2020	31st Mar 2019
	INR Lakhs		INR Lakhs	
Financial assets				
Cash and Cash Equivalents	0	-	0	-
Other Balances with banks	78	37	78	37
Trade Receivables	174	462	174	462
Financial Investments	8249	5,824	8,249	5,824
Other Financial Assets at cost	34	34	34	34
Total	8,535	6,357	8,535	6,357
Financial liabilities				
Trade Payables	-	-	-	-
Other financial liabilities	20	45	20	45
	20	45	20	45

The management assessed that cash and cash equivalents, other balances with bank, trade receivables, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The company has valued its investment in Neev fund (AIF) on the basis of NAV of Neev Fund. For this purpose NAV of Neev fund is computed on basis of unaudited financial statements of Neev Fund. For computing NAV of Neev Fund reliance has been placed on valuation report of Neev Fund as on 30th September 2019. (Valuation of Neev Fund's Investments is carried out on semi-annual basis. The company share of investment in Neev Fund is 12.61%.

For determining fair value of SWAMIH Investment Fund I reliance has been placed on the Fair Value per unit as stated in the investor report shared by the Fund. The company has invested Rs 500 lakhs as Investment Manager to the fund

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

- Fair value of the quoted bonds, mutual funds, govt securities are based on the price quotations near the reporting date. The fair value of unquoted instruments, loans from banks and other financial liabilities, obligations under finance leases, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.
- The cost of certain unquoted investments approximate their fair value because there is a wide range of possible fair value measurements and the cost represents the best estimate of fair value within that range.

2 Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1** Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes quoted equity instruments, government securities, traded debentures (borrowings) and mutual funds that have quoted price.
- Level 2** Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This includes derivative financial instruments and investment in redeemable non-cumulative preference shares.
- Level 3** Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This includes unquoted equity shares.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured at fair value on a recurring basis (but fair value disclosures are required) :



Fair value hierarchy as at 31st Mar, 2020

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	INR crores	INR crores	INR crores	INR crores
Asset measured at fair value				
Investments in Liquid Mutual Funds	1,746	-		1,746
Investments in Alternative Investment Funds			6,503	6,503
Investments in unlisted equity shares			0	0
	1,746	-	6,503	8,249

Fair value hierarchy as at 31st March, 2019

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	INR crores	INR crores	INR crores	INR crores
Asset measured at fair value				
Investments in Liquid Mutual Funds	1,055	-		1,055
Investments in Alternative Investment Funds	-	-	4,769	4,769
Investments in unlisted equity shares			0	0
	1,055	-	4,769	5,824

Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

PARTICULARS	For year ended 31st Mar 2020	For year ended 31st Mar 2019
Opening Balance	4,769	3,216
Net gain / (losses) on Financial Instruments recognised in the Statement of Profit and Loss	(132)	(108)
Purchases of Financial Instruments	1,866	1,661
Closing Balance	6,503	4,769

There has been no transfer between level 1 and level 2 during the period.

3 Capital Management & Gearing Ratio

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. From time to time, the Company reviews its policy related to return capital to shareholders or fresh issue of shares. The company does not have any debt as on 31st March 2020 (Nil on 31st March 2019).

4 Financial risk management objectives and policies

The Company's principal financial liabilities, comprise trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations. The Company also holds FVTPL investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.



SBICAP Ventures Limited**Notes to financial statements for the year ended 31st March , 2020****4.1 Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: currency risk, interest rate risk and equity price risk. The impact of equity price risk is not material. The company does not have any borrowings , therefore not exposed to interest rate risk as well.

4.2 Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) The receivable are due majorly from Neev Fund on account of Base Management Fee :

	(Rs in Lakhs)	
	31st March 2020	31st March 2019
Trade receivables	174	462
Total	174	462

The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

4.3 Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has access to a sufficient variety of sources of funding .

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	Up to 1 year	1 to 5 year	5+ Years	Total Carry Amount
31st March, 2020				
Non-Derivatives				
Borrowings	-	-	-	-
Future Interest on above borrowing	-	-	-	-
Trade Payables	-	-	-	-
Other Financial Liabilities	20	-	-	20
Total Non-Derivative Liabilities	20			
Derivatives				
Other Financial Liabilities	-	-	-	-
Total Derivative Liabilities	-	-	-	-
31st March, 2019				
Non-Derivatives				
Borrowings	-	-	-	-
Future Interest on above borrowing	-	-	-	-
Trade Payables	-	-	-	-
Other Financial Liabilities	45	-	-	45
Total Non-Derivative Liabilities	45			45
Derivatives				
Other Financial Liabilities	-	-	-	-
Total Derivative Liabilities	-	-	-	-

Note 33 - Fund-wise income & expense details

The company has earned Rs 630 lakhs and Rs 1915 lakhs as Management Fees from Neev Fund & SWAMIH Investment Fund I respectively

The company has incurred Rs 220 lakhs, Rs 53 lakhs , RS 173 lakhs & 25 lakhs on Neev Fund ,Affordable Housing Fund , SWAMIH Investment Fund I and SME fund respectively under employee benefit expnese in FY 2019-20(this excludes provision for bonus, gratuity and allocation of common expenses).The expenses incurred on Affordable Housing Fund are not recoverable as fund is in process of dissolution owing to launch of SWAMIH Investment Fund I.

The company has incurred Rs 186 lakhs, Rs 16lakhs , Rs89 lakhs & Rs 27 lakhs on Neev Fund ,Affordable Housing Fund, SWAMIH Investment Fund Iand SME fund respectively in FY 2019-20 under other expenses.(this excludes depreciation and allocation of common expenses)The expenses incurred on Affordable Housing Fund are not recoverable.

The expenditure incurred on SME fund is charged to P/L account and on achieving first close of the fund, same shall be recovered from the fund as per contractual terms which will be agreed with investors.

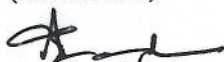


Note 34 - Covid -19 Impact

The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. Numerous Governments and companies, including the Company, have introduced variety of measures to contain the spread of the virus. On March 24, 2020, the Indian government announced strict 21-day lockdown which was further extended by 19 days across the country to contain the spread of the virus. The extent to which the COVID-19 pandemic will impact the Company's performance will depend on future developments, which are highly uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the company. However considering the present situation, the investment manager has collated fund wise impact analysis and has concluded that the pandemic will not affect its revenue and investments as on 31st March 2020

As per our attached audit report of even date

For Mahendra Kumbhat & Associates
Chartered Accountants
(FRN : 105770W)


Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709


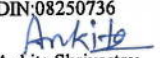
Place : Mumbai
Date : 20th April 2020



For and on behalf of the Board
SBICAP Ventures Limited


Naresh Yadav
(Director)
DIN:08590165


Kiran Saruparia
(CFO)


Mahendra Kumar Sharma
(WTD & CEO)
DIN:08250736

Ankita Shrivastav
(CS)

