

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

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

1&2

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

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

CA Raman Hangekar
Partner
Membership No.: 030615

Arun Mehta
Chairman

Naresh Ladav
Managing Director & CEO

Manish Singh
Chief Financial Officer

Dhanshri Kenkre
Company Secretary

Mumbai
April 20, 2022

Mumbai
April 20, 2022



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

Earnings per equity share [Nominal value of share Rs.10/-
(Previous year Rs.10)]

Basic	43	24.05	21.38
Diluted		24.05	21.38

Summary of significant accounting policy

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

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Mumbai
April 20, 2022

Arun Mehta
Chairman

Manish Singhal
Chief Financial Officer

Mumbai
April 20, 2022

Naresh Yadav
Managing Director & CEO

Dhanashri Kenkre
Company Secretary



SBICAP Securities Limited
Cash flow statement for the year ended March 31, 2022

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

Components of cash and cash equivalents

Balance with banks :

On current accounts

46,631.46 14,996.85

Cash on hand

0.05 0.20

Total cash and cash equivalents (Note 16)

46,631.51 14,997.05

Summary of significant accounting policies

As per our report of even date attached

2.10

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

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



CA Raman Hangekar
Partner
Membership No. : 030615



Arun Mehta
Chairman



Naresh Yadav
Managing Director & CEO



Mumbai
April 20, 2022



Manish Singhal
Chief Financial Officer

Mumbai
April 20, 2022



Dhanashri Kenkre
Company Secretary



SBICAP Securities Limited
Statement of changes in Equity for the year ended March 31, 2022

A. Equity share capital

Balance	(Amount in Lakhs)
As at April 01, 2021	9,687.50
Changes in equity share capital	-
As at March 31, 2022	9,687.50

B. Other equity

(Amount in Lakhs)

Particulars	Reserves and Surplus			Total
	Securities premium	General Reserve	Retained Earnings	
Balance as at April 01, 2020	2,812.50	30.52	23,403.37	26,246.39
Profit for the year	-	-	20,712.04	20,712.04
Other Comprehensive Income for the year	-	-	57.67	57.67
Total Comprehensive Income for the year	-	-	20,769.71	20,769.71
Transferred to General Reserve	-	-	-	-
Transferred from Retained Earnings	-	-	-	-
Balance as at March 31, 2021	2,812.50	30.52	44,173.08	47,016.10
Balance as at April 01, 2021	2,812.50	30.52	44,173.08	47,016.10
Profit for the year	-	-	23,301.23	23,301.23
Other Comprehensive Income for the year	-	-	(12.55)	(12.55)
Total Comprehensive Income for the year	-	-	23,288.68	23,288.68
Transferred to General Reserve	-	-	-	-
Transferred from Retained Earnings	-	-	-	-
Balance as at March 31, 2022	2,812.50	30.52	67,461.76	70,304.78

Summary of significant accounting policies

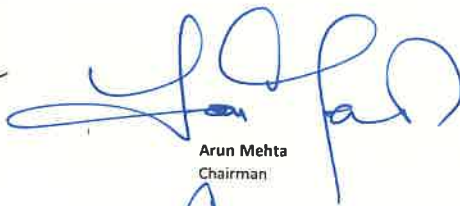
As per our report of even date attached

For Batliboi & Purohit
Chartered Accountants
Firm Registration No.: 101043W



CA Raman Hangekar
Partner
Membership No. : 030615

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



Arun Mehta
Chairman



Manish Singh
Chief Financial Officer

Mumbai
April 20, 2022



Naresh Yadav
Managing Director & CEO



Dhanashri Kenkre
Company Secretary

Mumbai
April 20, 2022



Note 1&2: Corporate Information and Summary of Significant Accounting Policies.

SBICAP Securities Limited

1. Corporate Information:

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

2. Basis of preparation of financial statements

Basic of accounting convention:

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

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

2.1 Summary of significant accounting policies

a. Use of estimates

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



b. Inventories

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

c. Property, Plant and Equipment and depreciation

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

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefit from the existing asset. Items of tangible assets that have been retired from active use and are held for disposal are stated at lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the Statement of Profit and Loss.

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

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

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

Description of assets Useful Life in years Method of Depreciation

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



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

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

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

d. Impairment of assets

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

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

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

ii) Impairment of non-financial assets Tangible and Intangible assets



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

e. Financial Instruments

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

Cash and cash equivalents

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

Financial assets at amortised cost

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

Financial assets at fair value through other comprehensive income

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



and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

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

Equity instruments

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

Financial liabilities

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

f. Revenue recognition

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

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

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



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

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

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

g. Foreign currency transactions

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

Initial Recognition : On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

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

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

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

h. Retirement and other employee benefits

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

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



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

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

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

i. Segment Reporting

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

j. Operating Leases

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

k. Earnings per share

Basic and diluted earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The



Company did not have any potentially dilutive securities in any of the years presented.

1. **Income Taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in statement of profit and loss, except when they

relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

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

Deferred tax :

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

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

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

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

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred



tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

m. Provisions and Contingent Liabilities

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

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

**n. Lease
Company as a Lessee**

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

Measurement:

Right of Use Asset

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

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

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



commencement date or as a consequence of having used the underlying asset during a particular period.

Lease Liability:

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

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

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

Short term lease

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

Subsequent measurement & depreciation

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

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



date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

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



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 3: Cash and Cash Equivalents

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(a) Cash and Cash Equivalents		
Cash on hand	0.05	0.20
Balance with banks : In current accounts	46,631.46	14,996.85
	46,631.51	14,997.05

Note 4: Bank balance other than Cash and cash equivalents

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Bank Deposits with Banks	51,226.14	34,009.50
	51,226.14	34,009.50

Note :

Bank Balance other than cash and cash equivalent consist of restricted bank balance amounting to Rs 5,12,26,13,886 (As at March 31, 2021 Rs.3,40,09,50,453. The restriction are primirally on account of Bank balance held as lien by Stock Exchange/Banks/PFRDA/UIDAI

Note 5: Receivables

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
(i) Trade Receivables		
Secured, considered good	4,273.38	4,004.64
Unsecured, considered good	74,503.26	34,125.51
Doubtful	1,660.65	1,351.25
	80,437.29	39,481.40
Less : Allowance for doubtful receivables	1,660.65	1,351.25
Total	78,776.64	38,130.15

(ii) Allowance for doubtful debts

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

Movement in allowance for doubtful debt :

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	1,351.25	1,639.66
Add: Allowance for the year	309.40	194.35
Less: Write off of bad debts (net of recovery)	(380.13)	(482.75)
Balance at the end of year	1,660.65	1,351.25
Total	1,660.65	1,351.25



Trade Receivables ageing schedule

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	78,933.90	664.16	680.66	124.50	34.06	80,437.29
(ii) Undisputed Trade Receivables — which have significant increase in credit risk						
(iii) Undisputed Trade Receivables — credit impaired	(157.26)	(664.16)	(680.66)	(124.50)	(34.06)	(1,660.65)
(iv) Disputed Trade Receivables—considered good						
(v) Disputed Trade Receivables — which have significant increase in credit risk						
(vi) Disputed Trade Receivables — credit impaired						
Net Receivable						78,776.64

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

Note 6: Investments

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

Note 7: Other Financial Assets

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



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 8: Current tax Assets (net)

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Advance income-tax [net of provisions for taxation of Rs.17,950 Lakhs/- (March 31, 2021 Rs.10,000 Lakhs)]	1,354.55	371.84
	1,354.55	371.84

Note 9: Deferred tax assets (net)

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



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 10:

(Amount in Lakhs)

**Property, Plant and Equipment
Tangible assets**

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

Note : 10(B)

Right of Use assets

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



Note 11:
Intangible assets

GROSS BLOCK (AT COST)

At April 1, 2020

Additions

Disposals

At March 31, 2021

Additions

Disposals

At March 31, 2022

Computer Software	Total
-------------------	-------

4,367.53 4,367.53

1,104.86 1,104.86

(2,124.50) (2,124.50)

3,347.90 3,347.90

1,303.10 1,303.10

(1,409.83) (1,409.83)

3,241.17 3,241.17

AMORTIZATION

At April 1, 2020

Charge for the year

Disposals

At March 31, 2021

Charge for the year

Disposals

At March 31, 2022

3,950.44 3,950.44

369.76 369.76

(2,124.50) (2,124.50)

2,195.70 2,195.70

785.16 785.16

(1,409.83) (1,409.83)

1,571.03 1,571.03

NET BLOCK

At March 31, 2021

1,152.20 1,152.20

At March 31, 2022

1,670.14 1,670.14

CWIP ageing schedule for FY ended March 2022:

(in Lakhs)

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

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

(in Lakhs)

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

CWIP ageing schedule for FY ended March 2021:

(in Lakhs)

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

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

(in Lakhs)

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



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 12: Other Non-financial Assets

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current		
(Unsecured, considered good)		
Advances to Suppliers	167.01	76.97
Advances to Employees	148.84	85.55
Mediclaime Deposit		
Prepaid Expenses	711.66	253.99
Goods & Service Tax Input credit available	1,430.70	1,338.42
Imprest Account	0.46	0.21
Total Current	2,458.66	1,754.14
Non-Current		
(Unsecured, considered good)		
Capital Advances	13.05	358.80
Total Non-Current	13.05	358.80
Total	2,471.71	2,112.94

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

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

Trade Payables ageing schedule

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

Note 14 (a) : Debt Securities

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Unsecured		
- From Commercial Papers (refer note 41)	29,798.11	-
	29,798.11	-
Commercial Papers (unsecured)		
Tenure	90 days	-
Rate of interest	4.39% to 4.50%	-
Repayment schedule	At maturity	-

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

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current		
Secured		
- From bank	43,420.08	3,674.26
Bank Overdraft - Repayable on Demand		
	43,420.08	3,674.26

Rate of Interest

1. Bank Overdraft of Rs. 2,54,20,08,041/- with State Bank of India, carry interest rates of 3.40% per annum. (Previous Year Nil secured by 100% margin in the form Bank Fixed deposits.
2. Bank Overdraft of Rs. 1,80,00,00,000/- with Indusind Bank, carry interest rates of 6.75% per annum. (Previous Year Nil secured by MTF Receivables.



Note 15 (a) : Lease Liabilities

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Lease Liability	1,119.21	1,718.58
	1,119.21	1,718.58

Note 15 (b) : Other Financial Liabilities

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current		
Capital Creditors	9.00	1.19
Payable to Employees	4,593.82	4,045.90
Other Accrued Expense	2,852.52	3,154.82
Total Current	7,455.34	7,201.90
Non-Current		
Retention money for Capital expenditure	13.48	12.00
Franchisee security deposits	2.85	2.85
Total Non-Current	16.33	14.85
Total	7,471.67	7,216.75

Note 16: Provisions

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current		
Provision for employee benefits		
Provision for gratuity		
Provision for leave benefits	194.05	173.89
Total Current	194.05	173.89
Non-Current		
Provision for employee benefits		
Provision for gratuity	111.33	51.24
Provision for leave benefits	285.88	266.40
Total Non-Current	397.21	317.63
Total	591.26	491.52

Note 17: Other Non-Financial Liabilities

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Current		
Revenue received in Advance	1,437.78	977.45
Statutory Dues	2,481.06	1,810.14
Total	3,918.84	2,787.59



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

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

Financial Assets and Liabilities as at March 31, 2021	Carried at Amortized cost	Routed through Profit and Loss	Routed through Other Comprehensive Income	Total Amount
Assets				
Investments (Refer to Note 6)		0.10	-	0.10
Trade Receivables (Refer to Note 5)	38,130.15	-	-	38,130.15
Cash and cash equivalents (Refer to Note 3)	14,996.85	-	-	14,996.85
Bank balance other than Cash and cash equivalents (Refer Note 4)	34,009.50	-	-	34,009.50
Other Financial Assets (Refer to Notes 7)	931.14	-	-	931.14
Total	88,067.64	0.10		88,067.74
Liabilities				
Borrowings (Refer to Note 14)	3,674.26	-	-	3,674.26
Trade Payables (Refer to Note 13)	23,270.95	-	-	23,270.95
Other Financial Liabilities (Refer to Notes 15)	7,216.75	-	-	7,216.75
Total	34,161.95			34,161.95



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 18: Equity Share capital

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Authorised share capital		
250,000,000 (Previous year March 31, 2021: 250,000,000) Equity Shares of Rs. 10 each	25,000.00	25,000.00
Issued, subscribed and paid-up share capital		
96,875,000 (Previous year March 31, 2021: 96,875,000) Equity Shares of Rs.10 each	9,687.50	9,687.50
Total Issued, subscribed and paid-up share capital	9,687.50	9,687.50

Notes:

a. Reconciliation of shares outstanding as at Sum of March 31, 2022 and March 31, 2021

Equity shares	March-22		March-21	
	No. of shares	In Lakhs	No. of shares	In Lakhs
Outstanding at the beginning of the year	96,875,000	9,687.50	96,875,000	9,687.50
Add: Issued during the year for cash	-	-	-	-
Outstanding at the end of the period	96,875,000	9,687.50	96,875,000	9,687.50

b. Terms/rights attached to equity shares

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

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

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
SBI Capital Market Ltd., the holding company & its nominees		
96,875,000 (Previous year March 31, 2021) Equity Shares of Rs.10 each	9,687.50	9,687.50

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

	March 31, 2022		March 31, 2021	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs.10 each fully paid up				
SBI Capital Market Ltd., the holding Company & its nominees	96,875,000	100%	96,875,000	100%

Shareholding of promoters

Shares held by promoters at the end of the year			
Promoter name	No. of Shares**	% of total shares	% Change during the year***
SBI Capital Market Ltd., the holding Company & its nominees	96,875,000	100.00%	-
Total	96,875,000	100.00%	

e. The company does not have any shares reserved for issue under options, contract/commitments for sale of shares/disinvestments as at March 31, 2022.

f. During the period of five years immediately preceding March 31, 2022, the Company has not issued any bonus shares or shares for consideration other than cash and also the company has not bought back any shares during this period.

g. The Company does not have any securities as at March 31, 2022, which are convertible into equity/preference shares.

h. As per records of the Company, no calls remain unpaid by the directors and officers of the Company as on March 31, 2022.

i. As per records of the Company, no shares have been forfeited by the Company during the period.

j. There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment as on March 31, 2022.

SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 19: Other Equity

Other equity consists of the following :

Particulars	(Amount in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Securities Premium Reserve		
Opening Balance	2,812.50	2,812.50
Add: premium on issue of shares received during the period	-	-
Closing balance	2,812.50	2,812.50
General Reserve		
Opening Balance	30.52	30.52
Add : amount transferred from surplus balance in the statement of profit and loss	-	-
Closing balance	30.52	30.52
Retained Earnings		
Opening Balance	44,173.08	23,403.37
Add: Profit for the period	23,301.23	20,712.04
Add: Other Comprehensive Income for the period	(12.55)	57.67
Closing balance	67,461.76	44,173.08
Total	70,304.78	47,016.10



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 20 : Interest Income

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest earned on Bank Deposits	1,806.81	1,392.02
Total	1,806.81	1,392.02

Note 21 : Fees and Commission Income

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

Note 22: Other operating income

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

Note 23 : Other Income

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



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

Note 24: Finance Costs

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

Note 25: Fees and Commission Expense

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

Note 26: Employee Benefits Expenses

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, wages and bonus	23,302.01	16,933.76
Contribution to provident and other funds	1,735.87	1,133.89
Gratuity expense	235.30	185.20
Staff welfare expenses	695.54	366.41
Total	25,968.72	18,619.27

Note 27: Depreciation and amortisation

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

Note 28 : Other Expenses

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

Payments to auditor

Particulars	(Amount in Lakhs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
As auditor :		
Audit fee	13.30	11.30
Tax audit fee	1.15	1.15
Quarterly limited review	3.98	2.30
In other capacity :		
Other services (certification fees)	11.00	9.38
Reimbursement of expenses	-	-
Total	29.43	24.12



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022.

(Amount in Lakhs)

Note 29:

Capital and other commitments

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

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

Note 30:

Contingent liabilities

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

Note 31:

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

Based on information available with the Company, there are no suppliers included in current liabilities who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" as at March 31, 2022.

Note 32:

Value of imports calculated on CIF basis

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

Note 33:

Expenditures in foreign currency (accrual basis)

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

Note 34:

Earnings in foreign currency (accrual basis)

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



SBICAP Securities Limited
Notes forming part of financial statements for the period ended Sum of March 31, 2022

Note 35:

a) Gratuity

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

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

A: Amount recognized in Balance Sheet:

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

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

B: Movement in Plan Assets :

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

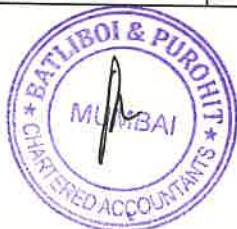
A reconciliation of the plan assets during the inter-valuation period is given below:

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

C: Disaggregation of Plan Assets

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

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



D: Reconciliation of net liability / asset:

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

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

Movement in benefit Obligations:

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

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

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

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

Amount Recorded in Other Comprehensive Income:

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



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

	March 31, 2022	March 31, 2021
Discount rate (p.a.)	5.65% p.a	5.20% p.a
Expected rate of return on assets		
Employee turnover		
Salary escalation rate (p.a.)	8.00% p.a	8.00% p.a

	March 31, 2022	March 31, 2021
Information considered for the actuarial valuation in respect of active serving members	No. of employees 6,970	No. of employees 5,289

b) Defined Contribution Plan :

Payment to and provisions for employees includes Rs 7,08,96,931 (PY March 31,2021:- Rs. 5,87,77,059) recognized as an expense in respect of defined contribution plans.

Note 36:

Leave encashment

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

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

Payments to and provision for employees includes Rs. 39.64 Lakhs (P.Y.March 31,2021: 202.26 Lakhs) towards provision made as per Actuarial Valuation in respect of accumulated leave encashment debited to the Statement of Profit and Loss. Total Liability as per Actuarial Valuation and as reflected in Company's Accounts is Rs. 479.93 Lakhs (P.Y. March 31,2021: Rs. 440.29 Lakhs). The Company has not funded the liability.

Note 37:

Segmental information

The Company mainly operates under two different operating Segments. The Company is engaged in the business of securities broking, its allied services and Distribution Services. Further, all the transactions and the assets of the Company are recorded/located in India. As per the views of the Company's chief operating decision maker, business activities primarily falls within two operating segments, disclosures as per IND AS 108 - Operating Segments are as below:

Description of segment and principal activities

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

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

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



The Accounting principles and policies adopted in the preparation of the financial statements are also consistently applied to record income/ expenditure and assets/ liabilities in individual segments. Revenue and expenses directly attributable to segments are reported under each reportable operating segment.

Certain revenue and expenses, which form component of total revenue and expenses, are not identifiable to specific reporting segments as the underlying resources are used interchangeably, have been allocated on the reasonable basis to respective segment. Revenue and expenses, which relate to Group as a whole and are not allocable on reasonable basis, have been disclosed under "Unallocated expenses/income". Similarly, assets and liabilities in relation to segments are categorised based on items that are individually identifiable to specific reporting segments. Certain assets and liabilities, which form component of total assets and liabilities, are not identifiable to specific reporting segments as the underlying resources are used interchangeably, have been allocated on the reasonable basis to respective segment. Assets and liabilities, which relate to Group as a whole and are not allocable on reasonable basis, have been disclosed under "Unallocated assets/liabilities"

Particulars	(in Lakhs)	
	As at/ Year ended	
	March 31, 2022	March 31, 2021
Segment Revenue		
(i) Retail Broking	39,181.46	31,355.68
(ii) Distribution Services	38,225.92	30,555.67
(iii) All other segments	5,679.21	5,379.11
(iv) Unallocated	-	-
Total	83,086.60	67,290.46
Less: Inter Segment Revenue		
Income from Operations	83,086.60	67,290.46
Segment Result(PBT)		
(i) Retail Broking	15,992.08	16,090.06
(ii) Distribution Services	12,746.08	10,340.61
(iii) All other segments	2,463.77	1,286.66
(iv) Unallocated	-	-
Total	31,201.92	27,717.32
Net Profit Before Tax	31,201.92	27,717.32
Segment Assets		
(i) Retail Broking	111,479.89	47,453.22
(ii) Distribution Services	65,842.80	42,779.56
(iii) All other segments	7,142.62	4,417.94
(iv) Unallocated	2,271.46	1,212.54
Total Assets	186,736.77	95,863.25
Segment Liability		
(i) Retail Broking	98,507.66	31,396.42
(ii) Distribution Services	7,341.33	6,786.82
(iii) All other segments	895.49	976.41
(iv) Unallocated	79,992.28	56,703.60
Total Liability	186,736.77	95,863.25



Note 38:
Related parties disclosures as per IND AS- 24, as identified by the Company and relied upon by the Auditors.
Names of related parties and related party relationships
Names of related parties where control exists:
SBI Capital Markets Limited
SBI Life Insurance Company Limited
SBI Mutual Funds
SBI DFI Ltd.
SBI Fund Management Pvt. Ltd.
SBI Global Factors Ltd.
SBI General Insurance Company Limited
SBI Foundation
SBI Trustee Company Ltd.
SBICAP Securities Limited
Manish Singh, Managing Director
Manish Singh, Chief Financial Officer
Dhanraj Kumar, Company Secretary
Related parties defined as per IND AS 24 "Related Party Disclosures" have been identified on the basis of representation made by the management and information available with the Company.

Details of transactions during the year

Name of related party	Year ended	Expenses during the year ended											Income during the year ended							Other transaction during the year	
		Employee cost	Rent & Maint. Exp	Brokerage paid for selling and distribution	Referral fees	Bank Charges	Interest on Short Term Borrowings	Bank Guarantee Commission	Corporate Social Responsibility Expenses	Royalty Expenses	Bad Debts	Investment made in Equity Shares	Selling and distribution (IPO) and bonds	Brokerage (stock broking)	Research Income	Interest Income	Interest from Gratuity fund	Other Income	Share application money and issue of shares	Contributions to Gratuity fund	Benefits paid from Gratuity fund
Ultimate holding company	March 31, 2022	209.10	-	-	529.23	1.66	680.69	-	-	475.53	-	-	-	51.11	-	376.38	-	41,807.09	-	-	-
State Bank of India	March 31, 2021	209.49	-	-	238.77	0.97	106.27	-	-	422.70	-	-	-	37.49	-	80.01	-	33,538.15	-	-	-
Holding company	March 31, 2022	-	611.56	-	-	-	-	-	-	-	-	-	54.18	0.53	-	-	-	0.74	-	-	-
SBI Capital Markets Limited	March 31, 2021	-	951.92	-	-	-	-	-	-	-	-	23.44	56.08	-	-	-	-	10.73	-	-	-
Fellow subsidiaries	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	177.05	-	-	48.28	1.72	-	-	54.73	
SBI Life Insurance	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	298.03	-	-	3.84	2.16	-	-	99.99	
SBI OFDI Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	6.50	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SBI Mutual Funds	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	14.33	-	-	-	218.28	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	178.19	-	-	-	122.02	-	-	-	
SBI General Insurance Company Ltd	March 31, 2022	-	-	-	-	-	-	-	-	5.33	-	-	5.33	-	-	-	320.51	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	4.07	-	-	-	432.88	-	-	-	
SBI Fund Management Pvt. Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	0.04	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	1.50	-	-	-	-	-	-	-	
SBI Alternative Equity Fund	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SBISS Global Pvt Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SBI Canada Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SBI Employees Funds	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	0.07	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	8.05	-	-	-	-	-	-	-	
SBI Employees Funds	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	0.65	-	-	-	-	-	-	-	
SBI CAP Ventures Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.72	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SBI Foundation	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
SBI CAP Trustee Company Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	0.48	-	-	-	-	-	-	-	
March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	0.27	-	-	-	-	-	-	-	
Key Management Personnel	March 31, 2022	73.77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Manish Yadav, Managing Director	March 31, 2022	58.16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Manish Singh, Chief Financial Officer	March 31, 2021	56.54	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Dhanraj Kumar, Company Secretary	March 31, 2022	28.19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
March 31, 2021	-	27.31	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

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



Balances outstanding as at year ended

(Amount in Rupees)

Name of related party	Year ended	BALANCE RECEIVABLE AS AT:										BALANCE PAYABLE AS AT:				
		Interest accrued:	Selling and distribution	Trade receivable				Bank balances	Saved Deposits	Investment in Equity Shares	Gratuity fund	Other Receivable	Provision for Doubtful	Other liability	Selling and distribution	Short Term Borrowings
Ultimate holding company																
State Bank of India	March 31, 2022	61.13	-	47.37	-	-	35,030.72	-	75,020.00	-	-	17,887.15	-	427.58	-	19,191.97
	March 31, 2021	5.19	-	44.62	-	-	13,391.80	-	5,020.00	-	-	17,428.94	-	300.99	-	3,674.26
Holding Company																
SBI Capital Market Limited	March 31, 2022	-	33.46	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	27.18	-	-	-	-	-	-	-	-	-	-	-	-	-
Fellow subsidiaries																
SBI Life Insurance	March 31, 2022	-	0.01	-	-	-	-	-	-	-	597.64	-	-	-	-	-
	March 31, 2021	-	(0.00)	0.01	-	-	-	-	-	-	516.53	-	-	-	-	-
SBI General Insurance Company Ltd.	March 31, 2022	-	4.42	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	15.97	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Fund Management Pvt. Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI DFI Ltd	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Mutual Funds	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Foundation	March 31, 2022	-	-	0.00	-	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBICAP Trustee Company Ltd.	March 31, 2022	-	-	-	-	-	-	-	-	0.10	-	-	-	-	-	-
	March 31, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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

Particulars	(Amount in Lakhs)	
	As on 31st March 2022	As on 31st March 2021
Profit/(Loss) before income tax expense	31,201.93	27,711.13
Tax at applicable tax rate – 25.17%	7,853.52	6,974.89
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
Add: Tax impact on non deductible items	647.75	439.67
Less: Tax impact on Deductible items	557.85	411.50
Add: Others	6.58	-3.06
Current tax	7,950.00	7,000.00
Effective Tax rate	25.48	25.26
Recognition of deferred tax (income)/expenses on account of following:		
Property, Plant and Equipment : (Depreciation)	30.36	-14.04
Provision for doubtful debts	-77.88	72.47
Provision for arbitrage deposit	23.30	-326.18
Provision for gratuity	0.03	124.76
Provision for performance linked variable plan		-
Provision for Incentive payable	-15.13	270.27
Provision for other employee benefits and tax impact of OCI	-36.90	15.06
Income Tax Expenses	-76.21	142.34
Total Tax expense	7,873.79	7,142.34



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

Financial risk management objectives and policies

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

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

a. Credit risk

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

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

(Amount in Lakhs)

Contractual maturities of financial liabilities as at March 31, 2022	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings and Debt Securities	73,218.19			
Trade Payables	20,425.32	20,425.32	-	-
Other Financial Liabilities	7,471.67	7,471.67	-	-
Total	101,115.17	27,896.99	-	-
* Borrowing of the Company is an overdraft facility. Hence there is no contractual maturity for the same for period ended December 31, 2021 and March 2021 also. Debt securities includes Commercial papers issued by the Company and valued at amortized cost. Maturity details of CP are disclosed in Note no. 41				
Contractual maturities of financial liabilities as at March 31, 2021	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	3,674.26			
Trade Payables	23,270.95	23,270.95	-	-
Other Financial Liabilities	7,216.75	7,216.75	-	-
Total	34,161.95	30,487.69	-	-

c. Market risk

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

d. Foreign exchange risk

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

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

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Foreign Currency	INR in Lakhs	Foreign Currency	INR in Lakhs
Foreign Currency Exposures (USD)	5,747.15	4.36	7,046.59	5.10
Foreign Currency Exposures (GBP)	-	-	400.00	0.29
Total		4.36		5.39

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

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

Particulars	Impact on Profit	
	As at 31.03.2022	As at 31.03.2021
USD Sensitivity		
INR / USD - Increase by 10%	(0.44)	(0.51)
INR / USD - Decrease by 10%	0.44	0.51
GBP Sensitivity		
INR / SGD / GBP - Increase by 10%	-	0.03
INR / SGD / GBP - Decrease by 10%	-	0.03

Interest rate risk

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

(i) Interest rate risk exposure

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

Variable rate borrowings

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

(ii) Sensitivity

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

Particulars	Impact on profit after tax	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest rates - increase by 10%	(385.13)	(26.27)
Interest rates - decrease by 10%	385.13	26.27



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

a. Details of Credit Rating :

Instrument Category

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

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

b Key Financial Information

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

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

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

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

**** Net Worth = Equity + Other Equity

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

Commercial Papers - Date of issue	Redemption amount (Rs. In crores)	Previous due date	Whether paid or not	Next due date
28/01/2022	100	NA	-	28/04/2022
10/3/2022	200	NA	-	9/6/2022



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2022

(Amount in Lakh)

Note 42:
Leases

Following are the disclosure requirement as per Ind AS 116 for the leases which meet the definition of lease as per Ind AS 116

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

Note 43:
Earnings per share (EPS)

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

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

Note 44:
Remuneration paid to employees on deputation from the ultimate holding company - State Bank of India

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

Note 45:
Royalty payable to SBI has been calculated at the contractual rate on Net Profit After Tax as per Ind AS which includes expense of remeasurement of defined benefit plans forming part of employee benefits expense.

Note 46: Corporate Social Responsibility (CSR)

- a) The gross amount required to be spent by the Company during the year is Rs 328.46 Lakhs. (Previous year:- Rs. 207.92 Lakhs)
b) Amount spent during the year (covered under schedule VII of the Companies Act, 2013):

Particulars	Upto March 22			Upto March 21		
	In cash (Rs)	Yet to be paid in cash (Rs)	Total (Rs)	In cash (Rs)	Yet to be paid in cash (Rs)	Total (Rs)
Construction /acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above - Promoting education	328.46	-	328.46	207.92	-	207.92

Note 47:

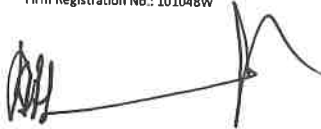
Previous year figures

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

As per our report of even date attached

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

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



CA Raman Hangekar
Partner
Membership No.: 030615



Arun Mehta
Chairman



Naresh Yadav
Managing Director & CEO



Manish Singhal
Chief Financial Officer



Chandrahari Kenkre
Company Secretary

Mumbai
April 20, 2022



Mumbai
April 20, 2022



INDEPENDENT AUDITORS' REPORT

To the Members of SBICAP Securities Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the standalone financial statements of **SBICAP Securities Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the statement of Profit and Loss, (statement of changes in equity) and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit (including OCI) , (changes in equity) and its Cash Flows for the year ended on that date.

Basis for Opinion

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

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

Key Audit Matters

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



BRANCHES :

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

Information Other than the Financial Statements and Auditors' report thereon

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

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

We have not received other information before the date of Auditors' Report so we cannot conclude if the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we



receive the other information and if we identify that there is material misstatement therein, we will communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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



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

1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
3. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
4. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
6. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
7. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
8. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Amendment Rules, 2021, in our opinion and to the best of our information and according to the explanations given to us:
 - The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Notes to the financial statements
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The Company has advanced no funds or loaned or invested other than disclosed if any under Notes to accounts (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - No funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and



- Based on audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- The Company has not declared any dividend during the financial year ended March 2022.
- The company has used such accounting software for maintaining its books of account which has a feature of recording audit trail facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.



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

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

Raman Hangekar
Partner
Membership No. 030615

The Annexure A referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2022 we report that:

- i.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Intangible assets.
 - b) As explained to us, the Property, Plant and Equipment have been physically verified by management at reasonable intervals under a phased programme of verification. As informed by the Management physical verification of fixed assets was carried out in the previous year. In our opinion this periodicity of physical verification is reasonable having regard to the size of company and nature of its assets.
 - c) The Company does not hold any immovable property. Thus, sub-clause (c) of (i) of para 3 is not applicable to the Company.
 - d) The Company has not revalued its Property, Plant and Equipment (Including ROU). Thus, the sub clause (d) of (i) of para 3 is not applicable to the Company.
 - e) The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Thus, the sub clause (e) of (i) of para 3 is not applicable to the Company.
- ii. The Company is engaged in the business of broking (retail and institutional) and the third-party distribution of financial products and has no inventory. Hence clause (ii) of paragraph 3 of the order is not applicable to the Company.
- iii. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3 (iii) (a), 3 (iii) (b), 3 (iii) (c), 3 (iii) (d), 3 (iii) (e), 3 (iii) (f) of the order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantees or security in respect of any loans to any party covered under Section 185 of the Act. The Company has made no investments which are covered under provision of Section 186 of the Act. Hence the clause is not applicable.
- v. The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 of the Act and Rules framed there under to extent notified.
- vi. The Company is not engaged in production, processing, manufacturing or mining activities. Hence, the provision for maintenance of cost records prescribed under sub-section 1 of section 148 of the Act are not applicable to the Company.
- vii. According to the information and explanations given to us and the records of the Company examined by us, in our opinion,
 - a) the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employee state insurance, income tax, , GST, duty of customs, cess and any other material statutory dues as applicable, with the appropriate authorities. Further no undisputed amounts payable in respect of provident fund, employee state insurance, income tax, , GST, cess and any other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.




- b) According to the information and explanations given to us, and the records of the company examined by us, there are no dues in respect of sales tax, income-tax, duty of customs, service tax, GST, entry tax, value added tax, central sales tax, duty of excise, which have not been deposited with the appropriate authority on account of any disputes.
- viii. There are no transactions surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Thus, the said clause of the order is not applicable.
- ix.
- a) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution, bank or Government as at the Balance sheet date.
 - b) The company is not declared as a wilful defaulter by any bank or financial institution or other lenders.
 - c) The Company does not have any term loans. Thus, the said sub para of the clause (ix) is not applicable.
 - d) According to the records of the company examined by us and the information and explanation given to us, the funds raised on short term basis have not been utilised for long term purposes.
 - e) The Company does not have any Subsidiary, associate or Joint ventures. Thus, the said sub para (e) is not applicable to the Company.
 - f) The Company does not have any Subsidiary, associate or Joint ventures. Thus, the said sub para (f) is not applicable to the Company.
- x.
- a) The Company did not raise any moneys by way of initial public offer or further public offer including debt instruments) nor has obtained any term loans during the year, hence paragraph 3 (x) of the order is not applicable to the Company.
 - b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Thus, sub para (b) of 3 (x) of the order is not applicable to the Company.
- xi.
- a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instances of material fraud by the Company or on the Company by its officers or employees noticed or reported during the year nor have we been informed of any such case by the management.
 - b) As there are no frauds, hence sub para (b) of clause (xi) of the order is not applicable to the company.
 - c) Whistle blower complaints if any received during the year were considered by us.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required under Ind AS and Companies Act, 2013.
- xiv. The Company has Internal audit system which is commensurate with the size of the business and we have considered the audit reports issued by Internal auditor for the period.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi.
- a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the order are not applicable to the Company.
 - b) The Company has not conducted any Non-Banking Financial or Housing Finance activities, hence the sub para (b) is not applicable.
 - c) The Company is not a Core Investment Company, hence the said sub para (c) and (d) of the clause (xvi) of the order is not applicable to the Company.
- xvii. The Company has not incurred any cash loss during the current financial year or in preceding financial year.
- xviii. There is no resignation of Statutory auditor during the year, hence the said clause (xviii) of the order is not applicable.
- xix. According to the information and explanation given to us including the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and on the basis of Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. According to the explanation given to us and based on our scrutiny of the books of accounts, the company has spent the required amount as per the Companies Act 2013 and there is no amount unspent, hence the sub para (a) and (b) of clause (xx) of the order is not applicable to the Company.
- xxi. As the company does not have any Subsidiary, associate or JV, hence it is not required to prepare Consolidated Financial Statement. Accordingly, the said clause (xxi) of the order is not applicable to the Company.



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

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

Raman Hangekar
Partner
Membership No. 030615

Annexure - B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **SBICAP Securities Limited** ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting


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

Opinion

In our opinion and to the best of our information & according to the explanations give to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



Place: Mumbai
Date: April 20, 2022
UDIN: 22030615HMBD9118

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

Raman Hangekar
Partner
Membership No. 030615

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

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



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