

VYAS & VYAS

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of SBICAP TRUSTEE COMPANY LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone Ind AS financial statements of **SBICAP TRUSTEE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, and the statement of Profit and Loss (including other comprehensive income), 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 (hereinafter referred to as "the Standalone Financial Statements")

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 Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed u/s 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total other comprehensive income, 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 Act. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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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 year. We have determined that there are no key audit matters to communicate in our report

Information Other than the Standalone Financial Statements and Auditors' Report Thereon

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

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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 nothing to report in this regard.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, Management and Board of Directors are 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



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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.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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



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financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

Report on Other Legal and Regulatory Requirements

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

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

- i. 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.
- ii. 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.
- iii. The standalone Balance Sheet, the standalone Statement of Profit and Loss (including other comprehensive income), the standalone Statement of Changes in Equity and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- iv. In our opinion, the aforesaid standalone financial statements comply with the Ind As specified under Section 133 of the Act.



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- v. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - vi. 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".
- B.** With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigation on its financial position in its standalone financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
 - c. Based on the audit procedures that have been 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) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



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v. In our opinion and according to the information and explanations given to us the dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.

C. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the managerial remuneration for the year ended 31 March 2023 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

Directions of C&AG

As per the directions of The Comptroller & Auditor General of India in accordance with Section 143(5) of the Companies Act, 2013 and on the basis of such verification of the books and records as considered appropriate and available and according to the information and explanations given to us and as per the declarations given by the Company, we enclose in "Annexure - C" a statement on the matters specified in directions issued by The Comptroller & Auditor General of India.



For Vyas & Vyas
Chartered Accountants
FRN: 000590C

Shraddha Khare
(SHRADDHA AVINASH KHARE)
Partner
M. No. 123263

UDIN - 23123263BGWPLR1130

Date: April 17th, 2023

Place: Mumbai

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ANNEXURE – A to the Independent Auditor's Report of even date on the Standalone Financial Statements of SBICAP TRUSTEE COMPANY LIMITED for the year ended 31st March 2023

Statement on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2020

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirement" section of our report of even date)

i.

a.

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment

B. The Company has maintained proper records showing full particulars of intangible assets.

b. The Company has a regular program of physical verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, the last physical verification of fixed assets was conducted on 31-Mar-2023. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

c. The Company doesn't have any immovable properties (other than properties wherein the company is the leasee and the lease agreements are duly executed in favour of the leasee). Accordingly, the requirement of clause (i)(c) of paragraph 3 of the order is not applicable to the company

d. The Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) and intangible assets during the year.

e. As per information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii.

a. The company's business does not involve any inventories and accordingly, provisions of clause (ii) of paragraph 3 of the Order are not applicable to the Company

b. As per information and explanations given to us the Company has not been sanctioned any working capital limits, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and



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hence reporting under clause 3(ii)(b) of paragraph 3 of the Order is not applicable.

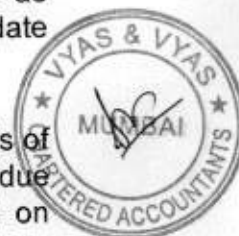
- iii. According to the information and explanations given to us, the Company has not invested, provided any guarantee or security or granted any loans, secured or unsecured to Companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

In view of the above, clause (iii) (a), to (iii)f of paragraph 3 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 complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public, hence the directives issued by The Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, are not applicable on the Company. Accordingly, clause 3(v) of paragraph 3 of the Order is not applicable.
- vi. According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 to the Company. Accordingly, clause 3(vi) of paragraph 3 of the Order is not applicable.
- vii.
- a. According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, goods and service tax, cess and other material statutory dues applicable to it have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, there were no undisputed amounts payable in respect of outstanding statutory dues as aforesaid at 31st march 2023 for a period of more than six months from the date they become payable.

- b. According to the information and explanations given to us and on the basis of our examination of records of the Company, there is no statutory due outstanding as on balance sheet date which have not been deposited on account of dispute.



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- viii. As per information and explanations given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. In our opinion and according to the information and explanations given to us, the company has not taken any loans or borrowings during the year. Accordingly, Clause (ix)(a) to (ix)(f) of paragraph 3 of the order is not applicable to the company.
- x.
- a. According to the information and explanations given to us, the Company has not raised any money by way of Initial Public offer (including debt instruments) and term loans during the year and accordingly reporting under clause 3(x)(a) of paragraph 3 of the Order is not applicable.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of paragraph 3 of the Order is not applicable.
- xi.
- a. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of any such case by the management.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. According to the information and explanations given to us, the company has not received any whistle blower complaints during the year
- xii. The Company is not a Nidhi Company and accordingly this clause is not applicable to the Company. Accordingly, provision of clause 3(xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and based on our verification of the records of the Company and on the basis of review and approvals by the Board and Audit Committee, related party transactions during the financial year under review are in compliance with section 177 and 188 of the Companies Act, 2013 and details have been duly disclosed in the standalone financial statements as required by the applicable Ind AS.



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xiv.

- a. Based on information and explanations provided to us and our audit procedures, in our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business;
- b. We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;

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 them during the financial year under review; accordingly, paragraph 3 (xv) of paragraph 3 of the order is not applicable.

xvi.

- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.
- b. The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) & (d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly the reporting under Clause 3(xviii) of the Order is not applicable to the Company

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any



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guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b. In respect of ongoing projects, the Company did not have any unspent Corporate Social Responsibility (CSR) amount as at the end of the current and previous financial year. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

xxi. As the report pertain to Standalone financial statements of the Company, Accordingly, provision of clause 3(xxi) of the order is not applicable



For Vyas & Vyas
Chartered Accountants
FRN: 000590C

Shraddha Khare

(SHRADDHA AVINASH KHARE)
Partner
M. No. 123263

UDIN - 23123263BGWPLR1130

Date: April 17th, 2023

Place: Mumbai

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Annexure – B to the Independent Auditor's Report of even date on the Standalone Financial Statements of SBICAP TRUSTEE COMPANY LIMITED for the year ended 31st March 2023

Report on the Internal Financial Controls with reference to aforesaid standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 1 (A) (vi) under "Report on Other Legal and Regulatory Requirement" section of our report of even date)

We have audited the internal financial controls over financial reporting of **SBICAP TRUSTEE COMPANY LIMITED**, ("the Company"), as of March 31, 2023 in conjunction with our audit of the standalone 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 ("Guidance Note") 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note 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 ICAI. 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.



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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

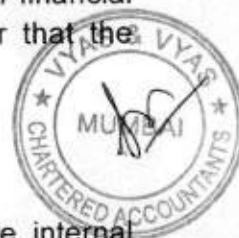
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls

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over financial reporting were operating effectively as at March 31st, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



For Vyas & Vyas
Chartered Accountants

FRN: 000590C

Shraddha Khare

(SHRADDHA AVINASH KHARE)

Partner

M. No. 123263

UDIN - 23123263BGWPLR1130

Date: April 17th, 2023

Place: Mumbai

VYAS & VYAS

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Annexure "C" to the Independent Auditor's Report of even date on the Standalone Financial Statements of SBICAP TRUSTEE COMPANY LIMITED for the period ended 31st March 2023

Statement on the matters specified in directions issued by the Comptroller and Auditor General of India in accordance with Section 143(5) of the Companies Act, 2013

(Referred to in paragraph under "Directions of C &AG" section of our report of even date)

As per CAG's directions to statutory auditor under Section 143(5) of the Companies Act, 2013 applicable to the financial statements of Government companies we report as under

| S.No. | Direction | Reply |
|-------|---|---|
| 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. | According to the information and explanations given to us and based on information available, the company has a system in place to process all the accounting transactions through IT system. All accounting transactions are being processed & accounted through IT system only. |
| 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 is also applicable for statutory auditor of lender company) | According to the information and explanations given to us and based on information available, there are NIL 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. Not Applicable |



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|----|---|---|
| 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. | According to the information and explanations given to us and based on information available, no funds have been received / receivable for specific schemes from central/ state agencies. |
|----|---|---|



For Vyas & Vyas
Chartered Accountants

FRN: 000590C

Shraddha Khare

(SHRADDHA AVINASH KHARE)

Partner

M. No. 123263

UDIN - 23123263BGWPLR1130

Date: April 17th, 2023

Place: Mumbai

SBICAP TRUSTEE COMPANY LIMITED
BALANCE SHEET AS AT 31st March 2023

(Rs. In Lacs)

| Particulars | Note Ref. | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------|----------------------|----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 59.30 | 69.42 |
| Right-of-use-assets | 3(a) | 578.00 | 759.96 |
| Intangible assets | 4 | 123.46 | 114.21 |
| Financial assets | | | |
| - Investments | 5 | 9,618.37 | 150.10 |
| - Other financial assets | 6 | 6,745.15 | 3,769.64 |
| Deferred tax assets (net) | 7 | 991.10 | 1,012.81 |
| Non-current tax assets (net) | 8 | 91.34 | 107.55 |
| Other non-current assets | 9 | 9.37 | 15.58 |
| Total non-current assets | | 18,216.10 | 5,999.27 |
| Current assets | | | |
| Financial assets | | | |
| - Trade receivables | 10 | 751.81 | 462.56 |
| - Cash and cash equivalents | 11 | 81.89 | 6,185.38 |
| - Bank Balances other than mentioned above | 12 | - | 3,304.06 |
| - Other financial assets | 13 | 328.92 | 368.61 |
| Current Tax assets (net) | 14 | 107.01 | 364.99 |
| Other current assets | 15 | 66.19 | 67.89 |
| Total current assets | | 1,335.82 | 10,753.49 |
| TOTAL ASSETS | | 19,551.92 | 16,752.76 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 16 | 100.00 | 100.00 |
| Other equity | | | |
| - Reserves and surplus | 17 | 15,417.45 | 12,644.40 |
| TOTAL EQUITY | | 15,517.45 | 12,744.40 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | | - | - |
| Lease liabilities | 3(b) | 486.13 | 622.39 |
| -Others financial liabilities | 18 | 26.49 | 21.02 |
| Contract liabilities | 19 | 2,042.44 | 2,131.82 |
| Provisions | 20 | 6.58 | 9.53 |
| Other non-current liabilities | | - | - |
| Total non-current liabilities | | 2,561.64 | 2,784.76 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | | | |
| Lease liabilities | 3(b) | 173.05 | 184.58 |
| Trade payables | | | |
| '(a) total outstanding dues of micro and small enterprises | | - | - |
| '(b) total outstanding dues other than (a) above | 21 | 16.32 | 9.99 |
| Other financial liabilities | 22 | 57.21 | 14.84 |
| Contract liabilities | 19 | 965.85 | 833.55 |
| Provisions | 23 | 188.97 | 154.86 |
| Other current liabilities | 24 | 71.42 | 25.78 |
| Total current liabilities | | 1,472.83 | 1,223.59 |
| TOTAL LIABILITIES | | 4,034.47 | 4,008.36 |
| TOTAL EQUITY AND LIABILITIES | | 19,551.92 | 16,752.76 |

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

As per our attached report of even date

For Vyas & Vyas

Chartered Accountants

Firm Registration No. 000590C

Shradha Khare
Shradha Anilash Khare
Partner

Membership No. 123263

UDIN-2312326386WPLR1130

Place: Mumbai

Date: 17th April 2023

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

Ravi Rajan
Ravi Rajan
Director
DIN: 09655948

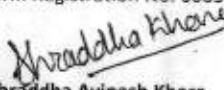




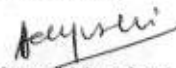
Bharet Mishra
Bharet Mishra
MD & CEO
DIN: 09385794



Aayushi Sanghavi
Aayushi Sanghavi
Company Secretary
Membership No. A521128

SBICAP TRUSTEE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March 2023

(Rs. In Lacs)

| Particulars | Notes | For the Year ended 31st March 2023 | For the Year ended 31st March 2022 |
|--|-------|--|---------------------------------------|
| Revenue from operations | 25 | 4,812.07 | 3,866.46 |
| Other income | 26 | 1,053.68 | 678.63 |
| Total income | | 5,865.76 | 4,545.09 |
| Expenses | | | |
| Employee benefit expenses | 27 | 913.17 | 649.29 |
| Finance costs | 28 | 307.28 | 317.22 |
| Depreciation and amortisation expense | 29 | 261.46 | 237.22 |
| Other expenses | 30 | 577.44 | 1,191.72 |
| Total expenses | | 2,059.35 | 2,395.46 |
| Profit before exceptional items and tax | | 3,806.40 | 2,149.63 |
| Exceptional items | | - | - |
| Profit before tax | | 3,806.40 | 2,149.63 |
| Income Tax expense | | | |
| Current tax | 31 | 911.02 | 608.89 |
| Deferred tax | | 21.86 | (29.97) |
| Total tax expense | | 932.88 | 578.92 |
| Profit for the year | | 2,873.52 | 1,570.71 |
| Other Comprehensive Income | | | |
| <i>Items that will not be reclassified to profit and loss</i> | | | |
| "Remeasurements of post-employment benefit obligations | | (0.63) | 2.81 |
| Income tax relating to above | | 0.16 | (0.71) |
| Other comprehensive income for the year, net of tax | | (0.47) | 2.10 |
| Total comprehensive income for the year | | 2,873.05 | 1,572.81 |
| Earnings per share | | | |
| Basic and Diluted | | 287.35 | 157.07 |
| Significant accounting policies 1 and 2 The accompanying notes form an integral part of these financial statements | | | |
| As per our attached report of even date For Vyas & Vyas Chartered Accountants Firm Registration No. 000590C  Shraddha Avinash Khare Partner Membership No.123263  UDIN - 23123263B6WPLR1130 Place: Mumbai Date: 17th April 2023 | | For and on behalf of the Board of Directors SBICAP Trustee Company Limited  Ravi Ranjan Director DIN: 09655948   Bhargav Mishra MD & CEO DIN: 09385794  Aayushi Sanghavi Company Secretary Membership No. A52128 | |

SBICAP Trustee Company Limited

Statement of changes in equity as at 31st March 2023

A. Equity share capital

1) Current reporting period

(Rs. in Lacs)

| Balance as at April 1, 2022 | Changes in Equity Share Capital due to prior period errors | Restated balance as at April 1, 2021 | Changes in equity share capital during the year | Balance as on March 31, 2023 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 100.00 | - | - | - | 100.00 |

2) Previous reporting period

(Rs. in Lacs)

| Balance as at April 1, 2021 | Changes in Equity Share Capital due to prior period errors | Restated balance as at April 1, 2021 | Changes in equity share capital during the year | Balance as on March 31, 2022 |
|-----------------------------|--|--------------------------------------|---|------------------------------|
| 100.00 | - | - | - | 100.00 |

B. Other Equity

1) Current reporting period

(Rs. in Lacs)

| Particulars | Reserve & Surplus | | Total Reserves & Surplus |
|---|-------------------|-----------------|--------------------------|
| | Retained earnings | General Reserve | |
| Balance as at April 1, 2022 | 11,332.15 | 1,312.25 | 12,644.40 |
| Changes in accounting policy or prior period errors | - | - | - |
| Restated Balance as of April 1, 2022 | 11,332.15 | 1,312.25 | 12,644.40 |
| Profit for the year | 2,873.52 | - | 2,873.52 |
| Items of OCI for the year, net of tax: -Remeasurement benefit of defined benefit plans | (0.47) | - | (0.47) |
| Total comprehensive income for the period | 2,873.05 | - | 2,873.05 |
| Interim dividend paid | (100.00) | - | (100.00) |
| Inter-Reserve Transfer | (287.35) | 287.35 | - |
| Balance as on March 31, 2023 | 13,817.86 | 1,599.60 | 15,417.45 |

2) Previous reporting period

(Rs. in Lacs)

| Particulars | Reserve & Surplus | | Total Reserves & Surplus |
|---|-------------------|-----------------|--------------------------|
| | Retained earnings | General Reserve | |
| Balance as at April 1, 2021 | 9,391.68 | 1,155.17 | 10,546.86 |
| Changes in accounting policy or prior period errors | - | - | - |
| Restated Balance as of April 1, 2022 | 9,391.68 | 1,155.17 | 10,546.86 |
| Profit for the year | 1,570.71 | - | 1,570.71 |
| Items of OCI for the year, net of tax: -Remeasurement benefit of defined benefit plans | 2.10 | - | 2.10 |
| Total comprehensive income for the period | 1,572.81 | - | 1,572.81 |
| Dividend | - | - | - |
| Inter-Reserve Transfer | (157.07) | 157.07 | - |
| Ind AS 115 Impact | 524.73 | - | 524.73 |
| Balance as on March 31, 2022 | 11,332.15 | 1,312.25 | 12,644.40 |

Significant accounting policies 1 and 2

The accompanying notes form an integral part of these standalone financial statements

As per our attached report of even date

For Vyas & Vyas

Chartered Accountants

Firm Registration No. 102286W

Shraddha Avinash Khare
Partner

Membership No. 123263

UDIN - 23123263BGWPLR1130

Place: Mumbai

Date: 17th April 2023



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

Ravi Ranjan
Director
DIN: 09655948

Bharat Mishra
MD & CEO
DIN: 09385794



Aayushi Sanghavi
Company Secretary
Membership No. A52128

SBICAP Trustee Company Limited
Cash Flow Statement for the year ended 31st March 2023

(Rs. in Lacs)

| Particulars | Year ended 31st March 2023 | Year ended 31st March 2022 |
|---|-------------------------------|-------------------------------|
| Cash flow from operating activities :- | | |
| Profit before income tax | 3,806.40 | 2,149.63 |
| Adjustment for :- | | |
| Depreciation and amortisation expense | 79.50 | 59.98 |
| Depreciation on Right of use assets | 181.96 | 177.24 |
| Provision for (written back)/doubtful debts | (72.88) | 67.28 |
| Interest income on fixed deposit/bonds with Banks | (825.06) | (539.12) |
| Interest on income Tax refund | (21.21) | (51.09) |
| Fair valuation gain/loss on FVTPL Financial Instrument | (58.28) | - |
| Net gain or loss on sale of investments | - | (39.39) |
| Unwinding of discount on security deposits | (6.36) | (5.70) |
| (Profit) /Loss on sale of Property, plant and equipment (net) | 1.36 | 0.65 |
| Interest expense on contract liabilities | 236.35 | 234.62 |
| Interest on lease liability | 70.93 | 82.60 |
| Other gain/losses | - | 1.31 |
| Ind AS 115 Impact | (193.31) | (108.38) |
| Operating profit before working capital changes | 3,199.40 | 2,029.63 |
| Decrease /(increase) in trade receivables | (42.11) | 1,625.72 |
| Decrease /(increase) in other non-current assets | 6.22 | (15.28) |
| Decrease /(increase) in other financial assets | (47.06) | 210.67 |
| Decrease /(increase) in other current assets | 1.70 | (41.73) |
| (Decrease) /increase in other financial liabilities (non-current) | 5.47 | 3.49 |
| (Decrease) /increase in non current provisions | (2.96) | (2.43) |
| (Decrease) /increase in trade payables | 6.33 | (4.51) |
| (Decrease) /increase in other financial liabilities (current) | 42.38 | 5.28 |
| (Decrease) /increase in current provisions | 34.11 | 28.99 |
| (Decrease) /increase in other current liabilities | 38.42 | (59.31) |
| Cash generated from operations | 3,241.89 | 3,780.52 |
| Income taxes paid | (636.83) | (322.65) |
| I. Net cash generated from operating activities | 2,605.06 | 3,457.87 |
| Cash flow from investing activities:- | | |
| Purchase of Property, Plant and Equipment | (87.36) | (168.55) |
| Interest income | 825.06 | 539.12 |
| Purchase of investment | (9,468.27) | (1,800.00) |
| Proceeds on sale of investments | - | 1,839.39 |
| Proceeds from sale of fixed assets | 4.82 | 3.97 |
| Fixed Deposits placed/matured during the year (Net) | 335.91 | (4,117.10) |
| II. Net cash generated from investing activities | (8,389.84) | (3,703.17) |
| Cash flow from financing activities :- | | |
| Principal elements of lease payment towards lease liability | (147.78) | (131.89) |
| Interest expenses | (70.93) | (82.60) |
| Interim Dividend paid | (100.00) | - |
| III. Net cash inflow (outflow) from financing activities | (318.71) | (214.49) |
| Net increase/(decrease) in cash and cash equivalents (I+II+III) | (6,103.49) | (459.80) |
| Cash and cash equivalents at the beginning of the year | 6,185.38 | 6,645.18 |
| Cash and cash equivalents at the end of the year | 81.89 | 6,185.38 |
| Reconciliation of cash and cash equivalents as per the cash flow statement | | |
| Cash and Cash equivalent as per above comprise of the following | | |
| Cash on hand | 0.35 | 0.16 |
| Balances with scheduled banks (current and deposit accounts) | 81.54 | 6,185.22 |
| Balance as per statement of cash flows | 81.89 | 6,185.38 |
| The above cash and cash equivalents Excludes amounts placed as deposits with scheduled banks having Maturity more than 3 months but less than 12 months | - | 3,304.06 |
| Non-cash financing and investing activities | | |
| Acquisition of right-of-use asset | - | 21.88 |

Notes:

- The above cash flow statement has been prepared under the "Indirect method" as set out on the Indian Accounting Standard (Ind AS-7) Statement of Cash flow
 - Figures in bracket indicates cash outflow.
- The Cash flow statement and notes to accounts form an integral part of the account.

As per our attached report of even date

For Vyas & Vyas

Chartered Accountants

Firm Registration No. 000590C

Shradha Avinash Khare

Partner

Membership No. 123263



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

Ravi Ranjan

Director

DIN: 09655948

Bharat Mishra

MD & CEO

DIN: 08116907



Aayushi Sanghavi

Company Secretary

Membership No. AS2128

UDIN- 23123263BGWPLR1130

Place: Mumbai

Date: 17th April 2023

SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

1. Background

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

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

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

2. Significant Accounting Policies

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

A. Basis of Preparation

i. Statement of compliance

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

ii. Basis of measurement

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

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

Use of estimates and judgments

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

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



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

Assumptions, judgements and estimation uncertainties

Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2023, are made in in the following notes:

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

B. Summary of significant accounting policies

a. Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

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

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



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

b. Foreign Currencies

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

Transaction and balances

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

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

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

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

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

c. Revenue recognition

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

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

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

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

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

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



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

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

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

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

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

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

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

- **Interest Income**

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

- **Dividend Income**

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

- **Bad Debt:**

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



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

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

Accelerated Provisioning and Write-off of outstanding debtors:

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

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

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

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

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

d. Property, Plant and Equipment

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

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



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

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

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

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

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

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

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



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

e. Intangible assets

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

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

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

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

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

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

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

f. Taxation

Current taxes

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



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Notes to Financial Statements for the year ended March 31, 2023

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

Deferred taxes

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

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

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

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

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

g. Fair Value measurement

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

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

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

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

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



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Notes to Financial Statements for the year ended March 31, 2023

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

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

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

h. Impairment of Non-Financial Assets

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

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

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

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

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

i. Financial Instruments

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



SBICAP TRUSTEE COMPANY LIMITED

Notes to Financial Statements for the year ended March 31, 2023

Financial Assets

a) Initial recognition and measurement

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

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

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

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

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

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

b) Subsequent measurement

Debt Instruments at amortised cost:

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

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

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



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Notes to Financial Statements for the year ended March 31, 2023

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

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

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

Equity instruments

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

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

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

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

c) De-recognition

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

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

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

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



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Notes to Financial Statements for the year ended March 31, 2023

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

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

d) Impairment of financial assets

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

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

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

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

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

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

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



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Notes to Financial Statements for the year ended March 31, 2023

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

For NCLT Cases

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

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

Financial Liabilities

a) Initial recognition and measurement

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

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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



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Financial liabilities at amortised cost

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

c) Derecognition

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

d) Offsetting of financial instruments

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

e) Reclassification

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

j. Leases

As a lessee

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

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

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

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



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Notes to Financial Statements for the year ended March 31, 2023

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

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

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

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

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

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

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

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

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

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

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

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



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As a lessor

The Company has not entered any lease as a lessor.

k. Equity Instruments

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

l. Dividends

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

m. Provisions

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

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

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

n. Contingent Liabilities

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

o. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account.



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Notes to Financial Statements for the year ended March 31, 2023

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

p. Cash and Cash Equivalents

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

q. Borrowing costs

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

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

r. Employee Benefits

• Short-term obligations

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

• Other Long-term employee benefit obligations

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



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Notes to Financial Statements for the year ended March 31, 2023

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

• Post-employment obligations

The Company operates the following post-employment schemes:

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

Defined benefit plan - Gratuity Obligations

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

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

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

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

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

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

Defined Contribution Plan

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

s. Cash flow statements

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



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Notes to Financial Statements for the year ended March 31, 2023

t. Segment Reporting

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

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

u. Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2022.



Note 3 - Property, plant and equipment

Gross carrying amount

| (Rs. In Lacs) | | | | | | | | |
|--|------------------|------------------------------|---|--|----------------------|---------|------------------------|---------|
| Particulars | Air Conditioners | Computers other than Laptops | Office Equipments (Mobile Phone Handsets) | Office Equipments (other than mobile phones) | Furniture & Fixtures | Laptops | Lease hold Improvement | Total |
| Opening balance as at April 1, 2021 | 1.30 | 35.99 | 7.62 | 18.16 | 22.60 | 38.47 | 8.27 | 132.43 |
| Additions | - | 1.43 | 2.60 | 39.08 | 4.01 | 17.75 | - | 64.88 |
| Disposals | - | (0.25) | (1.81) | - | (0.30) | (9.08) | - | (11.44) |
| Transfers | - | - | - | - | - | - | - | - |
| Assets written off | - | - | - | - | - | - | - | - |
| Classified as assets held for sale | - | - | - | - | - | - | - | - |
| Change due to revaluation (if 10% or more) | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2022 | 1.30 | 37.18 | 8.42 | 57.25 | 26.31 | 47.15 | 8.27 | 185.87 |
| Opening balance as at April 1, 2022 | 1.30 | 37.18 | 8.42 | 57.25 | 26.31 | 47.15 | 8.27 | 185.87 |
| Additions | - | 1.47 | 3.69 | 6.27 | 6.37 | 24.23 | - | 42.03 |
| Disposals | - | (0.60) | (4.60) | (1.04) | (4.22) | (25.08) | (8.27) | (43.82) |
| Transfers | - | - | - | - | - | - | - | - |
| Assets written off | - | - | - | - | - | - | - | - |
| Classified as assets held for sale | - | - | - | - | - | - | - | - |
| Change due to revaluation (if 10% or more) | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2023 | 1.30 | 38.04 | 7.51 | 62.47 | 28.46 | 46.30 | - | 184.08 |

Accumulated depreciation

| (Rs. In Lacs) | | | | | | | | |
|--|------------------|------------------------------|---|--|----------------------|---------|------------------------|---------|
| Particulars | Air Conditioners | Computers other than Laptops | Office Equipments (Mobile Phone Handsets) | Office Equipments (other than mobile phones) | Furniture & Fixtures | Laptops | Lease hold Improvement | Total |
| Opening balance as at April 1, 2021 | 1.28 | 22.39 | 3.48 | 9.02 | 16.19 | 18.58 | 8.27 | 79.22 |
| Accumulated depreciation and impairment | - | - | - | - | - | - | - | - |
| Depreciation charge for the year | 0.02 | 11.13 | 2.28 | 15.84 | 2.84 | 12.07 | - | 44.17 |
| Disposals | - | (0.21) | (1.10) | - | - | (5.64) | - | (6.95) |
| Assets written off | - | - | - | - | - | - | - | - |
| Assets classified as held for sale | - | - | - | - | - | - | - | - |
| Change due to revaluation (if 10% or more) | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2022 | 1.30 | 33.31 | 4.66 | 24.86 | 19.03 | 25.01 | 8.27 | 116.45 |
| Opening balance as at April 1, 2022 | 1.30 | 33.31 | 4.66 | 24.86 | 19.03 | 25.01 | 8.27 | 116.45 |
| Accumulated depreciation and impairment | - | - | - | - | - | - | - | - |
| Depreciation charge for the year | 0.00 | 3.62 | 2.37 | 22.00 | 3.03 | 13.95 | - | 44.97 |
| Disposals | - | (0.60) | (3.59) | (1.03) | (4.04) | (19.12) | (8.27) | (36.65) |
| Assets written off | - | - | - | - | - | - | - | - |
| Assets classified as held for sale | - | - | - | - | - | - | - | - |
| Change due to revaluation (if 10% or more) | - | - | - | - | - | - | - | - |
| Balance as at March 31, 2023 | 1.30 | 36.34 | 3.44 | 45.83 | 18.02 | 19.84 | - | 124.77 |
| Net carrying amount as at March 31, 2023 | 0.00 | 1.70 | 4.07 | 16.64 | 10.44 | 26.45 | - | 59.30 |
| Net carrying amount as at March 31, 2022 | 0.00 | 3.86 | 3.75 | 32.39 | 7.28 | 22.14 | - | 69.42 |



Note 3 (a) - Right of Use Assets

(Rs. In Lacs)

Gross carrying amount

| Particulars | Leasehold Property (Mumbai- Mistry Bhavan) | Leasehold Property (Delhi) | Leasehold Property (Mumbai for MD & CEO) | Office Equipments (Printer) | Total |
|-------------------------------------|---|-------------------------------|---|--------------------------------|----------|
| Opening balance as at April 1, 2021 | 934.26 | 92.79 | - | 1.60 | 1,028.65 |
| Additions | - | 8.36 | 24.28 | - | 32.64 |
| Disposals | - | - | - | - | - |
| Transfers | - | - | - | - | - |
| Assets written off | - | - | - | - | - |
| Classified as assets held for sale | - | - | - | - | - |
| Balance as at March 31, 2022 | 934.26 | 101.15 | 24.28 | 1.60 | 1,061.29 |
| Opening balance as at April 1, 2022 | 934.26 | 101.15 | 24.28 | 1.60 | 1,061.29 |
| Additions | - | - | - | - | - |
| Disposals | - | - | - | - | - |
| Transfers | - | - | - | - | - |
| Assets written off | - | - | - | - | - |
| Classified as assets held for sale | - | - | - | - | - |
| Balance as at March 31, 2023 | 934.26 | 101.15 | 24.28 | 1.60 | 1,061.29 |

Accumulated depreciation

(Rs. In Lacs)

| Particulars | Leasehold Property (Mumbai- Mistry Bhavan) | Leasehold Property (Delhi) | Leasehold Property (Mumbai for MD & CEO) | Office Equipments (Printer) | Total |
|--|---|-------------------------------|---|--------------------------------|--------|
| Opening balance as at April 1, 2021 | 90.83 | 32.33 | - | 0.93 | 124.09 |
| Accumulated depreciation and impairment | - | - | - | - | - |
| Depreciation charge for the year | 155.71 | 15.71 | 5.28 | 0.53 | 177.24 |
| Disposals | - | - | - | - | - |
| Assets written off | - | - | - | - | - |
| Assets classified as held for sale | - | - | - | - | - |
| Balance as at March 31, 2022 | 246.54 | 48.04 | 5.28 | 1.46 | 301.33 |
| Opening balance as at April 1, 2022 | 246.54 | 48.04 | 5.28 | 1.46 | 301.33 |
| Accumulated depreciation and impairment | - | - | - | - | - |
| Depreciation charge for the year | 155.71 | 14.13 | 11.98 | 0.14 | 181.96 |
| Disposals | - | - | - | - | - |
| Assets written off | - | - | - | - | - |
| Assets classified as held for sale | - | - | - | - | - |
| Balance as at March 31, 2023 | 402.25 | 62.18 | 17.26 | 1.60 | 483.29 |
| Net carrying amount as at March 31, 2023 | 532.01 | 38.97 | 7.02 | 0.00 | 578.00 |
| Net carrying amount as at March 31, 2022 | 687.72 | 53.10 | 19.00 | 0.14 | 759.96 |

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



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

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

The following is the movement in lease liability:

| (Rs. In Lacs) | | |
|------------------------------------|--------------------|--------------------|
| Particulars | As at Mar 31, 2023 | As at Mar 31, 2022 |
| Opening Balance | 806.96 | 910.64 |
| Add: Lease liability created | - | 21.88 |
| Add: Interest on lease liability | 70.93 | 82.60 |
| Add/(Less): Lease modification | - | 6.34 |
| Less: Repayment of lease liability | 218.71 | 214.49 |
| Total | 659.18 | 806.96 |

The following is the break-up of current and non-current lease liabilities

| (Rs. In Lacs) | | |
|---------------|--------------------|--------------------|
| Particulars | As at Mar 31, 2023 | As at Mar 31, 2022 |
| Current | 173.05 | 184.58 |
| Non- Current | 486.13 | 622.39 |
| Total | 659.18 | 806.96 |

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| (Rs. In Lacs) | | |
|-------------------|--------------------|--------------------|
| Particulars | As at Mar 31, 2023 | As at Mar 31, 2022 |
| Less than 1 year | 226.78 | 218.55 |
| 1-3 Years | 559.92 | 680.86 |
| 3-5 years | - | 105.84 |
| more than 5 years | - | - |
| Total | 786.70 | 1,005.26 |

The Company has taken certain premises on short term leases and leases of low value and lease rent charged in respect of same have been charged under Rent expenses in Note. 30 to the statement of Profit and Loss. Lease rent amounting to Rs.49.41 Lacs/- (2022: Rs. 34.22/- Lacs) has been debited to statement of profit and loss during the year ended March 31, 2022.

The total cash outflow for leases for the period ended 31st March 2023 was Rs. 218.71 Lacs/- (2022: Rs. 214.49 Lacs/)



SBICAP Trustee Company Limited

Note 4 - Intangible assets

Gross carrying amount

(Rs. In Lacs)

| Particulars | Computer Software |
|---|-------------------|
| Gross carrying amount | |
| Opening balance as at April 1, 2021 | 235.37 |
| Addition | 103.67 |
| Assets written off | - |
| Adjustments on account of borrowing costs | - |
| Revaluations/Impairment | - |
| Others (Specify nature) | - |
| Balance as at Mar 31, 2022 | 339.04 |
| Opening balance as at April 1, 2022 | 339.04 |
| Addition | 45.34 |
| Assets written off | (23.69) |
| Adjustments on account of borrowing costs | - |
| Revaluations/Impairment | - |
| Others (Specify nature) | - |
| Balance as at March 31, 2023 | 360.69 |

Accumulated amortisation

| Particulars | Computer Software |
|---|-------------------|
| Opening balance as at April 1, 2021 | 209.02 |
| Depreciation charge for the year | 15.81 |
| Disposals | - |
| Assets written off | - |
| Others (Specify nature) | - |
| Balance as at Mar 31, 2022 | 224.83 |
| Opening balance as at April 1, 2022 | 224.83 |
| Depreciation charge for the year | 34.53 |
| Disposals | - |
| Assets written off | (22.13) |
| Others (Specify nature) | - |
| Balance as at March 31, 2023 | 237.23 |
| Net carrying amount as at March 31, 2023 | 123.46 |
| Net carrying amount as at March 31, 2022 | 114.21 |

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



SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2023

(Rs. In Lacs)

Note 5 - Non current- Investments

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|-----------------|---------------|
| Non-Current | | |
| i) Investment carried at amortised cost | | |
| Investment in Bond- quoted | | |
| 8.01% 15000, bonds of Indian Infrastructure Finance Comp | 150.00 | 150.00 |
| 10.18% 7,60,000, bonds of GS 2026 of Rs. 100/- each | 837.09 | - |
| 8.27% 5,00,000, bonds of KL SDL 2025 of Rs. 100/- each | 518.57 | - |
| 7.83% 5,00,000, bonds of MH SDL 2030 of Rs. 100/- each | 522.18 | - |
| 8.55% 1,31,000, bonds of ML SDL 2028 of Rs. 100/- each | 140.48 | - |
| 8.55% 60,000, bonds of ML SDL 2028 of Rs. 100/- each | 64.51 | - |
| 7.61% 85,000, bonds of PN SDL 2027 of Rs. 100/- each | 88.56 | - |
| 7.86% 4,00,000, bonds of AS SDL 2032 of Rs. 100/- each | 409.67 | - |
| 7.86% 12,00,000, bonds of AS SDL 2032 of Rs. 100/- each | 1,229.69 | - |
| 7.86% 10,00,000, bonds of HR SDL 2032 of Rs. 100/- each | 1,025.16 | - |
| 7.86% 5,00,000, bonds of MZ SDL 2032 of Rs. 100/- each | 514.31 | - |
| 7.86% 2,00,000, bonds of AS SDL 2032 of Rs. 100/- each | 206.10 | - |
| 7.82% 6,00,000, bonds of WB SDL 2032 of Rs. 100/- each | 614.12 | - |
| 7.81%, 3,50,000 bonds of UP SGS 2032 of Rs. 100/- each | 364.23 | - |
| 7.81%, 3,75,000 bonds of UP SGS2034 of Rs. 100/- each | 390.01 | - |
| 7.85%, 3,50,000 bonds of BR SGS 2032 of Rs. 100/- each | 363.18 | - |
| 7.95%, 1,00,000 bonds of HR SGS 2032 of Rs. 100/- each | 104.53 | - |
| 7.24%, 1,40,000 bonds of UP SDL 2032 of Rs. 100/- each | 139.51 | - |
| 7.73%, 1,00,000 bonds of TS SGS 2034 of Rs. 100/- each | 101.07 | - |
| 7.80%, 2,50,000 bonds of JK SDL 2035 of Rs. 100/- each | 252.01 | - |
| Total (i) | 8,034.98 | 150.00 |
| ii) Investment carried at fair value through statement of other comprehensive income (FVOCI) | | |
| Investment in Equity Instruments - Parent's Subsidiaries (unquoted) | | |
| 1000 (previous year: 1000) shares of SBI Foundation Ltd of Rs 10 each | 0.10 | 0.10 |
| Total (ii) | 0.10 | 0.10 |
| Investment in Mutual fund- Unquoted | | |
| iii) Investments carried at fair value through Fair Value through Profit and Loss (FVTPL) | | |
| 4,99,975.001 (Previous Year : NIL) units of SBI Fixed Maturity Plan (FMP) - Series 66 | 52.47 | - |
| 52,49,737.513 (Previous Year : NIL) units of SBI Fixed Maturity Plan (FMP) - Series 67 | 548.31 | - |
| 64,99,675.016 (Previous Year : NIL) units of SBI Fixed Maturity Plan (FMP) - Series 64 | 671.48 | - |
| 29,99,850.007 (Previous Year : NIL) units of SBI Fixed Maturity Plan (FMP) - Series 68 | 311.02 | - |
| Total (iii) | 1,583.28 | - |
| Total Investments Carrying Value (i+ii+iii) | 9,618.37 | 150.10 |

Note 6 - Other financial assets

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|-----------------------------------|-----------------|-----------------|
| Term deposits more than 12 Months | 6,653.45 | 3,685.30 |
| Security deposits | 91.71 | 84.35 |
| Total | 6,745.15 | 3,769.64 |

Note 7 - Deferred Tax Assets

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--------------------------------|---------------|-----------------|
| Total Deferred tax Assets | 1,151.26 | 1,204.09 |
| Total Deferred tax liabilities | (160.15) | (191.28) |
| Net deferred tax assets | 991.10 | 1,012.81 |



SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2023

Note 8 - Non-current tax assets (net)

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|--------------|---------------|
| Advance tax and TDS (net of provision) | 91.34 | 107.55 |
| Total | 91.34 | 107.55 |

Note 9 - Other non-current assets

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|------------------|-------------|--------------|
| Prepaid expenses | 9.37 | 15.58 |
| Total | 9.37 | 15.58 |

Note 10 - Trade receivables

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|---------------|---------------|
| Considered good - Secured | - | - |
| Considered good - Unsecured | 1,502.47 | 1,460.36 |
| Less: Allowance for Expected Credit Losses | (750.65) | (997.80) |
| Total | 751.81 | 462.56 |

Trade Receivables ageing schedule -31st March 2023

(Rs. In Lacs)

| 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 | than 3 years | |
| (i) Undisputed Trade receivables – considered good | 558.02 | 272.29 | 11.13 | - | - | 841.44 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 18.43 | 15.85 | 61.67 | 106.23 | 458.85 | 661.03 |
| Impaired good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Impaired | - | - | - | - | - | - |

Trade Receivables ageing schedule -31st March 2022

(Rs. In Lacs)

| 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 | |
| (i) Undisputed Trade receivables – considered good | 437.02 | 210.64 | 131.44 | 34.50 | 31.54 | 845.14 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | 9.69 | 7.31 | 153.01 | 258.46 | 186.74 | 615.22 |
| Impaired good | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - |
| Impaired | - | - | - | - | - | - |



SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2023

Note 11 - Cash and cash equivalents

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|--------------|-----------------|
| Balances with Banks | | |
| In current accounts | 81.54 | 65.68 |
| Deposits with maturity of less than three months | - | 6,119.54 |
| Cash on hand | 0.35 | 0.16 |
| Total | 81.89 | 6,185.38 |

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

Note 12 -Bank Balance other than cash & cash equivalents

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|-----------|-----------------|
| Balances with Banks | | |
| In term deposit with maturity of more than three months but less than twelve months | - | 3,304.06 |
| Total | - | 3,304.06 |

Note 13 - Other financial assets

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|---------------|---------------|
| Interest accrued on financial asset- measured at amortised cost | | |
| On fixed deposit | 314.28 | 352.69 |
| On Investment [Bonds] | 5.72 | 4.64 |
| Advances | 7.99 | 2.20 |
| Expense Recoverable from client/others | 0.92 | 10.18 |
| Less : Provision for expected credit loss | - | (1.10) |
| Total | 328.92 | 368.61 |

Note 14 - Current Tax Asset

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|---------------|---------------|
| Advance Income Tax and TDS Receivable (Net) | 1,018.02 | 973.88 |
| Less: Current tax liabilities | (911.02) | (608.89) |
| Total | 107.01 | 364.99 |

Note 15 - Other current assets

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|------------------------|--------------|--------------|
| Cersai fees receivable | 2.62 | 3.36 |
| GST input tax Credit | 35.89 | 40.08 |
| Prepaid expenses | 27.68 | 24.45 |
| Total | 66.19 | 67.89 |



Note 16 - Share capital

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|---------------|---------------|
| Equity share capital | | |
| A) Authorised share capital | | |
| 20,00,000 (previous year 20,00,000) Equity Shares of Rs.10/- each | 200.00 | 200.00 |
| B) Issued, subscribed and paid up | | |
| 10,00,000 (previous year 10,00,000) Equity Shares of Rs. 10/- each fully paid up at par. | 100.00 | 100.00 |
| Total issued, subscribed and Fully paid-up share capital | 100.00 | 100.00 |

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

(Rs. In Lacs)

| Equity Shares | 31-Mar-23 | 31-Mar-22 |
|-------------------------------------|-----------|-----------|
| At the beginning of the year | | |
| No. of Shares | 10,00,000 | 10,00,000 |
| Equity Share Capital | 100.00 | 100.00 |
| At the end of the year | | |
| No. of Shares | 10,00,000 | 10,00,000 |
| Equity Share Capital | 100.00 | 100.00 |

D) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

| Name of shareholder | 31-Mar-23 | 31-Mar-22 |
|---|-----------|-----------|
| SBI Capital Markets Limited & Its nominees | | |
| No. of Shares held | 10,00,000 | 10,00,000 |
| % of shareholding | 100 | 100 |

F) Other details of equity shares for a period of five years immediately preceding March 31, 2023:

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



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

| (Rs. In Lacs) | | |
|--|-----------|-----------|
| Particulars | 31-Mar-23 | 31-Mar-22 |
| Issued, subscribed and fully paid-up | | |
| Equity Shares | | |
| 10,00,000 Equity shares (previous year 10,00,000) of Rs.10/- each fully paid are held by SBI Capital Markets Limited, the Holding Company. | 100.00 | 100.00 |

(H) Shareholding of Promoters:

| Shares held by promoters at the end of the year | 31-Mar-23 | 31-Mar-22 |
|---|-----------|-----------|
| SBI Capital Markets Limited & Its nominees | | |
| No. of Shares held | 10,00,000 | 10,00,000 |
| % of shareholding | 100 | 100 |

Note 17 - Reserves and surplus

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|------------------|------------------|
| A) General reserve | | |
| Balance as per the last financial statements | 1,312.25 | 1,155.17 |
| Add: Transferred from surplus in the Statement of Profit and Loss | 287.35 | 157.07 |
| Closing Balance | 1,599.60 | 1,312.25 |
| B) Retained Earnings | | |
| Balance as per the last financial statements | 11,332.15 | 9,391.68 |
| Add: Profit for the year | 2,873.52 | 1,570.71 |
| Add/(Less): Effects of Prior period error (Ind AS 115) | - | 524.73 |
| Balance as on 31st March 2023/ 31st March 2022 | 14,205.68 | 11,487.12 |
| Less: Appropriations | | |
| - Interim Dividend | (100.00) | - |
| - Transfer to General reserve | (287.35) | (157.07) |
| Add/(Less): Other Comprehensive Income (OCI) | (0.47) | 2.10 |
| Closing Balance | 13,817.86 | 11,332.15 |
| Total | 15,417.45 | 12,644.40 |

Nature and purpose of reserves

General Reserve:

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



Note 18 - Other financial liabilities (non current)

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|-----------------------|--------------|--------------|
| Trust Settlement Fees | 26.49 | 21.02 |
| Total | 26.49 | 21.02 |

Note 19 - Contract liabilities

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|-----------------|-----------------|
| Contract Liabilities (Revenue received in advance) | | |
| - Current | 965.85 | 833.55 |
| - Non Current | 2,042.44 | 2,131.82 |
| Total | 3,008.29 | 2,965.37 |

Significant changes in contract liabilities:

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|-----------------|-----------------|
| Contract liabilities - Opening | 2,965.37 | 3,537.72 |
| Add: Contract liabilities recognised during the year(Net) | 1,441.11 | 1,077.77 |
| Less: Contract liability transferred of prior period (retained earning) | - | (701.23) |
| Add: Interest expenses recognised during the year | 236.35 | 234.62 |
| Less: Transferred to revenue | (1,397.70) | (1,014.72) |
| Less: Written back of contract liabilities due to Bad debts/NCLT/closure of assignment | (236.84) | (168.79) |
| Contract liabilities - Closing | 3,008.29 | 2,965.37 |

Note 20 - Non-current-Provisions

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|------------------------|-------------|-------------|
| Provision for Gratuity | 6.58 | 9.53 |
| Total | 6.58 | 9.53 |

Note 21 - Trade payables

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|--------------|-------------|
| Trade Payable : Micro and small enterprises | - | - |
| Trade Payable : Others | 16.32 | 9.99 |
| Total | 16.32 | 9.99 |

Trade Payable Ageing Schedule - March 2023

(Rs. In Lacs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------|--|-------------------|-----------|-----------|-------------------|-------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | 15.46 | 0.86 | - | - | - | 16.32 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iii) Disputed dues - Others | - | - | - | - | - | - |

Trade Payable Ageing Schedule - March 2022

(Rs. In Lacs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|------------------------------|--|-------------------|-----------|-----------|-------------------|-------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) MSME | - | - | - | - | - | - |
| (ii) Others | 9.99 | - | - | - | - | 9.99 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iii) Disputed dues - Others | - | - | - | - | - | - |



Note 22 - Other financial liabilities (Current)

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--------------------------|--------------|--------------|
| Retention monies | 1.00 | - |
| Trust Settlement Fees | 1.27 | 1.87 |
| Accrued Expenses payable | 30.12 | 12.97 |
| Other payable | 24.83 | - |
| Total | 57.21 | 14.84 |

Note 23 - Current provisions

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|---------------|---------------|
| Provision for employee benefits- Bonus | 100.00 | 75.00 |
| Provision for Compensated Absences | 88.97 | 79.86 |
| Total | 188.97 | 154.86 |

Note 24 - Other current liabilities

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---------------------|--------------|--------------|
| Cersai Fees payable | 5.15 | 3.42 |
| Statutory dues | 66.27 | 22.36 |
| Total | 71.42 | 25.78 |



SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2023

(Rs. In Lacs)

Note 25 - Revenue from operations

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|-----------------|-----------------|
| Revenue from contracts with customers | | |
| Trusteeship acceptance fees and service charges | 4,775.38 | 3,835.84 |
| Trusteeship Income from Will Services | 0.34 | 0.64 |
| | 4,775.72 | 3,836.48 |
| Other Operating Revenue | | |
| Legal & Documentation Charges | 15.55 | 9.30 |
| CERSAI Fees Income | 20.80 | 20.68 |
| | 36.35 | 29.98 |
| Total | 4,812.07 | 3,866.46 |

(i) Contract Balances as at:

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|----------------------|-----------|-----------|
| Trade receivables | 751.81 | 462.56 |
| Contract Liabilities | 3,008.29 | 2,965.37 |

(ii) Management expects that Rs. 965.85 Lacs (32.11%) of the transaction price allocated to the unsatisfied contracts as of 31 March 2023 will be recognised as revenue during the next reporting period. The remaining Rs. 2042.43 Lacs (67.89%) will be recognised in more than one year. The amount disclosed above does not include variable consideration which is constrained.

(iii) Reconciliation of Gross revenue from contracts with customers

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|-----------------|-----------------|
| Gross Revenue | 4,582.07 | 3,729.68 |
| Add : Interest expenses recognised | 236.35 | 234.62 |
| Less : Transfer to Contract liabilities (net) | (43.04) | (128.46) |
| Net Revenue recognised from Contracts with customers | 4,775.38 | 3,835.84 |

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

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

Note 26 - Other Income

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|-----------------|---------------|
| Interest Income from financial assets measured at amortised cost | 825.06 | 539.12 |
| Income from investments measured at fair value through Profit and loss | 58.28 | 39.39 |
| Excess Provision Written Back | 4.56 | 0.56 |
| Miscellaneous Income | 0.12 | 0.41 |
| Bad Debts Recovered | 65.21 | 42.36 |
| Unwinding of discount on security deposits | 6.36 | 5.70 |
| Interest on Income Tax refund | 21.21 | 51.09 |
| Write back of Provisions | - | - |
| Doubtful debts (Net of Bad debts written off) | 72.88 | - |
| Total | 1,053.68 | 678.63 |

Note 26.1 - Break up of Doubtful debts (Net of Bad debts written off)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|----------------|---------------|
| Bad debts written off | 175.37 | 683.65 |
| Provision for doubtful debts written back | (248.25) | 67.28 |
| Total | (72.88) | 750.93 |

The amount of Rs. 750.93/- Lacs in F.Y. 21-22 is shown under Other expense Note 30.



SBICAP Trustee Company Limited
Notes to balance sheet for the year ended 31st March, 2023

Note 27 - Employee benefit expenses

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--------------------------------|---------------|---------------|
| Salaries, wages and bonus | 734.59 | 581.17 |
| Contribution to provident fund | 24.37 | 19.38 |
| Gratuity | 8.17 | 7.59 |
| Leave compensation | 19.75 | 18.26 |
| Staff welfare expenses | 127.14 | 22.88 |
| Total | 913.17 | 649.29 |

Note 28 - Finance Cost

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|---|---------------|---------------|
| Interest expense charged on lease liabilities | 70.93 | 82.60 |
| Unwinding of Interest expense Ind AS 115 | 236.35 | 234.62 |
| Total | 307.28 | 317.22 |

Note 29 - Depreciation and amortisation expense

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|---------------|---------------|
| Depreciation of property, plant and equipment | 44.97 | 44.17 |
| Depreciation of right-of-use assets -refer note 3(a) | 181.96 | 177.24 |
| Amortisation of intangible assets | 34.53 | 15.81 |
| Total | 261.46 | 237.22 |

Note 30 - Other expenses

(Rs. In Lacs)

| Particulars | 31-Mar-23 | 31-Mar-22 |
|--|---------------|-----------------|
| Rental charges | 49.41 | 34.22 |
| Rates and Taxes | 34.27 | 0.43 |
| Insurance | 5.07 | 13.09 |
| Legal and Professional Fees | 111.45 | 96.08 |
| Payment to Auditor | 5.70 | 5.47 |
| Printing and Stationery | 10.02 | 7.42 |
| Travel and conveyance | 46.42 | 30.69 |
| Advertisement and business development charges | 28.71 | 15.16 |
| Water and electricity charges | 16.10 | 14.05 |
| House Keeping & Security Expenses | 37.60 | 37.74 |
| Repairs and Maintenance | 78.37 | 61.11 |
| Royalty Expenses | 31.41 | 25.96 |
| Corporate social responsibility expenditure | 45.17 | 43.92 |
| Telephone and communication charges | 16.43 | 14.32 |
| Provision for Doubtful Debts | - | 67.28 |
| Bad Debts Written off | - | 683.65 |
| Miscellaneous Expenses | 49.58 | 34.39 |
| Cersai Fees expense | 10.37 | 4.79 |
| Loss on sale of Asset | 1.36 | 0.65 |
| Other gain/ (losses) | - | 1.31 |
| Total | 577.44 | 1,191.72 |



SBICAP Trustee Company Limited

Note 31 - Income tax expense

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

(Rs. In Lacs)

| Particulars | As at Mar 31, 2023 | As at Mar 31, 2022 |
|--|--------------------|--------------------|
| Current tax | | |
| In respect of current year | 911.02 | 608.89 |
| In respect of earlier year | - | - |
| Total (A) | 911.02 | 608.89 |
| Deferred tax | | |
| Origination of reversal of temporary differences | 21.86 | (29.97) |
| Impact of change in tax rate | - | - |
| Total (B) | 21.86 | (29.97) |
| Income Tax recognized in the statement of Profit and Loss (A+B) | 932.88 | 578.92 |
| Income tax expenses recognized in OCI | | |
| Income tax relating to items that will not be classified to profit or loss | - 0.16 | - (0.71) |
| Total | 933.04 | 578.21 |

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

(Rs. In Lacs)

| Particulars | As at Mar 31, 2023 | As at Mar 31, 2022 |
|--|--------------------|--------------------|
| Profit before income tax expense | 3,806.40 | 2,149.63 |
| Enacted tax rates in India | 25.17% | 25.17% |
| Income tax expenses | 957.86 | 541.06 |
| Tax effect on amounts which are not deductible (taxable) in calculating taxable income | (21.96) | 40.88 |
| Tax on Income from exempt from tax | (3.02) | (3.02) |
| Total Tax expenses as per statement of profit and loss | 932.88 | 578.92 |

The applicable Indian corporate statutory tax rate for the year ended March 31, 2023 and March 31, 2022 is 25.17%. The reduction in corporate statutory tax rate to 25.17% is consequent to Introduction of section 115BAA in Income Tax Act, 1961



(C) Movement of Deferred tax assets and Liabilities

As at March 31, 2023

(Rs. In Lacs)

| Movement during the year ended March 31, 2022 | As at April 1, 2022 | Credit/(Charge) in the statement of profit and loss | Credit/(Charge) in the Retained earning | Credit/(Charge) in other comprehensive income | As at March 31, 2023 |
|--|------------------------|---|--|---|-------------------------|
| Allowances for doubtful debts | 251.42 | (62.48) | | | 188.94 |
| Provision for post retirement benefits | 21.79 | 2.26 | | 0.16 | 24.21 |
| Difference between book and tax depreciation | 10.59 | (1.60) | | - | 8.99 |
| Right-of use-assets | (191.28) | 45.80 | | - | (145.48) |
| Lease liability | 203.11 | (37.20) | | - | 165.92 |
| Contract Liabilities | 717.17 | 40.01 | - | - | 757.19 |
| Investment in Government Bonds | | 6.02 | | - | 6.02 |
| Financial assets at fair value through profit & loss | | (14.67) | | | (14.67) |
| Net deferred tax assets/(liabilities) | 1,012.81 | (21.86) | - | 0.16 | 991.10 |

As at March 31, 2022

(Rs. In Lacs)

| Movement during the year ended March 31, 2021 | As at April 1, 2021 | Credit/(Charge) in the statement of profit and loss | Credit/(Charge) in the Retained earning | Credit/(Charge) in other comprehensive income | As at March 31, 2022 |
|---|------------------------|---|--|---|-------------------------|
| Allowances for doubtful debts | 234.49 | 16.93 | - | - | 251.42 |
| Provision for post retirement benefits | 19.47 | 3.03 | - | (0.71) | 21.79 |
| Difference between book and tax depreciation | 13.48 | (2.89) | - | - | 10.59 |
| Right-of use-assets | (227.68) | 36.40 | - | - | (191.28) |
| Lease liability | 229.21 | (26.09) | - | - | 203.11 |
| Contract Liabilities | 890.37 | 3.30 | (176.50) | - | 717.17 |
| Net deferred tax assets/(liabilities) | 1,159.34 | 30.68 | (176.50) | (0.71) | 1,012.81 |



Note 32- Related Parties

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

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

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

B Other related parties where transactions have occurred during the year

| Name of the Party | Relationship |
|---|---|
| a. Fellow Subsidiaries | SBICAP Ventures Ltd |
| | SBICAP Securities Ltd |
| | SBI Funds Management Pvt. Limited |
| | SBI Life Insurance Company Limited |
| | SBI Cards & Payment Services Limited |
| | SBI General Insurance Co Ltd |
| b. Directors and Key Managerial Personnel of the Company | |
| Managing Director & CEO | Shri Bharat Mishra |
| | (From 3 rd November 2021 onwards) |
| | Shri Rajasekhar Raghavan |
| | (From 14 th December 2017 to 3 rd November 2021) |
| Shri. Amitava Chatterjee | Chairman, Director |
| | (From 10 th August, 2022 onwards) |
| Shri. Arun Mehta | Chairman, Director |
| | (From 19 th February, 2020 till 31 st July, 2022) |
| Shri. Ravi Ranjan | Nominee Director |
| | (From 01 st August, 2022 onwards) |
| Shri. B.R.S Satyanaryana | Nominee Director |
| | (From 31 st August, 2021 till 09 th August, 2022) |
| Shri. Balkrishna Vinayak Chaudal | Independent and Non-Executive Director |
| Shri. J Chandrasekaran | Nominee Director |
| Smt. Manju S. Bolakani | Nominee Director |
| | (From 12 th January, 2021 till 18 th August, 2022) |
| Shri. Kshitij Mohan | Nominee Director |
| | (From 28 th September, 2022 onwards) |
| Shri. Sanjay Panse | Non-Executive Director |
| Company Secretary | |
| | Smt. Aayushi Sanghavi, Company Secretary (from 1st December 2021 onwards) |
| | Smt. Anupama Naidu, Company Secretary (10th September 2020 to 30th November 2021) |



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

(Rs. In Lacs)

| Particulars | Ultimate Holding Company | | Holding Company | | Fellow Subsidiary | | Key Managerial Personnel | |
|--|--------------------------|--------|-----------------|--------|-------------------|--------|--------------------------|--------|
| | Mar-23 | Mar-22 | Mar-23 | Mar-22 | Mar-23 | Mar-22 | Mar-23 | Mar-22 |
| Income and Expense items: | | | | | | | | |
| Expenses during the year ended | | | | | | | | |
| Salary & Allowances | | | | | | | | |
| Deputation of Employees* | 39.07 | 39.13 | | | | | | |
| * the deputation cost is towards compensation to KMP, which is not paid to the KMP directly, but paid as reimbursement to the ultimate holding company | | | | | | | | |
| Smt. Anupama Naidu | | | | | | | - | 6.89 |
| Smt. Aayushi Sanghavi | | | | | | | 12.28 | 2.50 |
| Ex-gratia paid | | | | | | | | |
| Shri Rajashekhar Raghavan | | | | | | | - | 4.67 |
| Shri Bharat Mishra | | | | | | | 8.61 | 4.02 |
| Director's Sitting Fees | | | | | | | | |
| Shri. J Chandrasekaran | | | | | | | 3.80 | 4.70 |
| Shri. Sanjay Panse | | | | | | | 3.00 | 2.90 |
| Shri. Balkrishna Vinayak Chaubal | | | | | | | 3.60 | 4.40 |
| Rent Expense | 40.55 | 26.80 | 0.79 | - | | | | |
| Contribution to Gratuity fund (Employee Benefit expenses) | | | | | | | | |
| SBI Life Insurance Company Limited | | | | | 11.76 | - | | |
| Internet Expense | | | | 0.76 | | | | |
| (As reimbursement to the holding company) | | | | | | | | |
| Bank & Other Charges | 0.06 | 0.08 | | | | | | |
| Royalty Expense | 31.41 | 25.96 | | | | | | |
| Insurance Expense | | | | | | | | |
| SBI General Insurance Co. Ltd | | | | | 16.67 | 2.16 | | |
| SBI Life Insurance Company Limited | | | | | 6.99 | 6.31 | | |
| Business Development | | | | | | | | |
| SBI Cards & Payment Services Ltd. | | | | | 4.12 | 0.19 | | |
| Income during the year ended | | | | | | | | |
| Trusteeship Fees | 113.58 | 116.62 | 0.22 | 0.22 | | | | |
| SBICAP Ventures Limited | | | | | | | | |
| Neev fund | | | | | 5.00 | 5.00 | | |

| Particulars | Ultimate Holding Company | | Holding Company | | Fellow Subsidiary | | Key Managerial Personnel | |
|--|--------------------------|-----------|-----------------|--------|-------------------|--------|--------------------------|--------|
| | Mar-23 | Mar-22 | Mar-23 | Mar-22 | Mar-23 | Mar-22 | Mar-23 | Mar-22 |
| SME fund AIF | | | | | 2.50 | 1.97 | | |
| SWAMIH Investment Fund | | | | | 2.50 | 2.50 | | |
| | - | - | | | | | | |
| Interest on Fixed deposits | 415.12 | 527.10 | | | | | | |
| Gain on redemption of Mutual Fund | | | | | | | | |
| SBI Funds Management Pvt. Limited | | | | | - | 39.39 | | |
| | | | | | | | | |
| Balance Sheet Items: | | | | | | | | |
| (Outstanding As on) | | | | | | | | |
| Share Capital | | | 100.00 | 100.00 | | | | |
| | | | - | - | | | | |
| Balance receivable as at | | | - | - | | | | |
| | | | | | | | | |
| Receivables | - | 161.95 | - | - | | | | |
| SBICAP Ventures Limited | | | | | - | - | | |
| | | | | | | | | |
| Bank Balance | 81.54 | 65.68 | | | | | | |
| | | | | | | | | |
| Deposit with Bank | 6,653.45 | 13,108.89 | | | | | | |
| | | | | | | | | |
| Accrued interest on Deposit with Banks | 314.28 | 352.69 | | | | | | |
| | | | | | | | | |
| Prepaid Expenses | | | | | | | | |
| SBI General Insurance Co. Ltd | | | | | 3.69 | - | | |
| SBI Life Insurance Company Limited | | | | | 7.37 | 6.99 | | |
| | | | | | | | | |
| Investments | | | | | | | | |
| SBI Foundation Limited | | | | | 0.10 | 0.10 | | |
| SBI Funds Management Pvt. Limited- Mutual fund | | | | | 1,583.28 | - | | |
| | | | | | | | | |
| Balance payable as at | | | | | | | | |
| | | | | | | | | |
| Provision for Expenses | 9.26 | 3.50 | | | | | | |
| | | | | | | | | |
| Other Transactions during the year ended | | | | | | | | |
| Interim Dividends paid | | | 100.00 | - | | | | |
| - Outstanding balances are unsecured and repayable in cash | | | | | | | | |



SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2023

Note: 33 Employee Benefits**A. Gratuity**

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

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

Reconciliation of Defined benefit obligation

Rs. In Lacs

Changes in defined benefit obligation

| Particulars | Year ended | |
|--|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Opening of defined benefit obligation | 36.92 | 37.01 |
| Current service cost | 7.67 | 6.93 |
| Past service cost | - | - |
| Interest on defined benefit obligation | 2.56 | 2.39 |
| Amount recognised in Profit and loss account | 10.23 | 9.32 |
| Remeasurements due to : | | |
| - Actuarial loss/(gain) arising from change in financial assumptions | (2.60) | (0.73) |
| - Actuarial loss/(gain) arising from change in demographic assumptions | - | - |
| - Actuarial loss/(gain) arising on account of experience changes | 3.03 | (1.70) |
| Amount recognised in other comprehensive income | 0.43 | (2.43) |
| Benefits paid | (7.98) | (6.98) |
| Closing of defined benefit obligation | 39.60 | 36.92 |

Movement in plan Assets

Rs. In Lacs

| Particulars | Year ended | |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Opening fair value of plan assets | 27.39 | 25.05 |
| Employer contributions | 11.76 | 7.22 |
| Interest on plan assets | 2.06 | 1.73 |
| Remeasurements due to : | | |
| - Actual return on plan assets less interest on plan assets | (0.20) | 0.37 |
| Benefits paid | (7.98) | (6.98) |
| Closing fair value of plan assets | 33.02 | 27.39 |

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

| Particulars | Year ended | |
|--------------------------|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Investments with insurer | 100% | 100% |

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

Rs. In Lacs

| Particulars | Year ended | |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Present value of the funded defined benefit obligation | 39.60 | 36.92 |
| Fair value of plan assets at the end of the year | 33.02 | 27.39 |
| Liability recognized in the balance sheet (I-II) | 6.58 | 9.53 |

Statement of profit & loss**Expenses recognised in the Statement of profit and loss:**

Rs. In Lacs

| Particulars | Year ended | |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Current service cost | 7.67 | 6.93 |
| Past service cost | - | - |
| Expected return on plan assets | 0.50 | 0.66 |
| Total expense charged to profit and loss account | 8.17 | 7.59 |



SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2023

Statement of other Comprehensive Income (OCI)

Rs. In Lacs

| Particulars | Year ended | |
|---|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| Opening amount recognized in OCI outside profit and loss account | (2.71) | 0.10 |
| Remeasurements during the period due to: | | |
| <i>Changes in financial assumptions</i> | (2.60) | (0.73) |
| <i>Changes in demographic assumptions</i> | - | - |
| <i>Experience adjustment</i> | 3.03 | (1.70) |
| Actual return on plan assets less interest on plan assets | 0.20 | (0.37) |
| Adjustment to recognized the effect of asset ceiling | - | - |
| Closing amount recognized in OCI outside profit and loss account | (2.08) | (2.71) |

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

| Particulars | Year ended | |
|------------------------|-----------------|-----------------|
| | 31st March 2023 | 31st March 2022 |
| | % | % |
| Discount rate | 7.60 | 7.15 |
| Salary Escalation rate | 8.00 | 8.00 |

Sensitivity Analysis

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

| Particulars | Discount Rate | Salary Escalation Rate |
|--|---------------|------------------------|
| Defined Benefit obligation on increase in 50 bps | 36.97 | 42.48 |
| Impact of increase in 50 bps on DBO | -6.65% | 7.26% |
| Defined Benefit obligation on decrease in 50 bps | 42.50 | 36.97 |
| Impact of decrease in 50 bps on DBO | 7.33% | -6.65% |

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

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

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

| Maturity Profile | (Rs. In lacs) |
|-------------------------------|---------------|
| Expected benefits for year 1 | 3.13425 |
| Expected benefits for year 2 | 1.06745 |
| Expected benefits for year 3 | 1.07603 |
| Expected benefits for year 4 | 1.16985 |
| Expected benefits for year 5 | 1.26232 |
| Expected benefits for year 6 | 1.29291 |
| Expected benefits for year 7 | 1.37218 |
| Expected benefits for year 8 | 1.45755 |
| Expected benefits for year 9 | 1.51894 |
| Expected benefits for year 10 | 131.59329 |

The weighted average duration to the payment of these cash flows is 13.95 years



SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2023

Risk exposure to defined benefit plan

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

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

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

Inherent Risks:

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

Disaggregation of Plan Assets

Rs. In Lacs

| Particulars | Year ended | |
|-----------------------------|-----------------|-------------------|
| | 31st March 2022 | |
| | Quoted Value | Non- Quoted Value |
| Property | - | - |
| Government debt instruments | - | - |
| Other debt instruments | - | - |
| Equity instruments | - | - |
| Insurer managed funds | - | 25.05 |
| Others | - | - |
| Grand Total | | 25.05 |

Rs. In Lacs

| Particulars | Year ended | |
|-----------------------------|-----------------|-------------------|
| | 31st March 2023 | |
| | Quoted Value | Non- Quoted Value |
| Property | - | - |
| Government debt instruments | - | - |
| Other debt instruments | - | - |
| Equity instruments | - | - |
| Insurer managed funds | - | 33.02 |
| Others | - | - |
| Grand Total | | 33.02 |

B. Compensated Absence

The liability towards compensated absences for the year ended March 31, 2023 is based on actuarial valuation carried out by using the projected unit credit method.

| Particulars | Year ended | |
|----------------------------------|--|--|
| | 31st March 2023 | 31st March 2022 |
| | % | % |
| Discount rate | 7.60 | 7.15 |
| Salary Escalation rate | 8.00 | 8.00 |
| Attrition rate | 2.00 - 5.00 | 2.00 - 5.00 |
| Retirement Age | 60.00 | 60.00 |
| Mortality rate during employment | Indian Assured Lives Mortality (2012-14) | Indian Assured Lives Mortality (2012-14) |



SBICAP Trustee Company Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2023

Note: 34 Fair Value Measurements

(i) Financial instruments by category

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

(Rs. In Lacs)

| Particulars | As at March 31, 2023 | As at March 31, 2022 |
|---|----------------------|----------------------|
| A. Financial assets | | |
| I. Measured at amortized cost | | |
| <u>- Investments</u> | | |
| Investment in Bond- quoted | 8,034.98 | 150.00 |
| Security deposits | 91.71 | 84.35 |
| Other financial assets | 6,653.45 | 3,685.30 |
| Trade receivables | 751.81 | 462.56 |
| Cash and cash equivalents | 81.89 | 6,185.38 |
| Bank Balances other than mentioned above | - | 3,304.06 |
| Other financial assets | 328.92 | 368.61 |
| II. Measured at fair value through profit and loss (FVTPL) | | |
| <u>Investments</u> | | |
| Investment in Mutual Funds | 1,583.28 | - |
| Investment in Equity Instruments - Parent's Subsidiaries (unquoted) | 0.10 | 0.10 |
| Total Financial assets | 17,526.14 | 14,240.35 |
| B. Financial liabilities | | |
| I. Measured at amortized cost | | |
| Lease liabilities | 659.18 | 806.96 |
| Trust settlement fees | 27.76 | 22.89 |
| Trade payables | 16.32 | 9.99 |
| Other financial liabilities | 55.95 | 12.97 |
| Total Financial liabilities | 759.21 | 852.82 |

(ii) Fair Value Hierarchy:

(Rs. In Lacs)

| Financial assets and liabilities measured at fair value through profit and loss -recurring fair value measurements | Level 3 | |
|--|----------------------|----------------------|
| | As at March 31, 2023 | As at March 31, 2022 |
| Financial assets | | |
| Investment in Equity Instruments - Parent's Subsidiaries (unquoted)* | 0.10 | 0.10 |
| Total Financial Assets | 0.10 | 0.10 |
| Financial liabilities | - | - |

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



SBICAP Trustee Company Limited
Notes forming part of the Financial Statements as at and for the year ended March 31, 2023

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

| Particulars | 31-Mar-23 | | 31-Mar-22 | |
|------------------------------------|-----------------|-----------------|-----------------|---------------|
| | Carrying amount | Fair value | Carrying amount | Fair value |
| Financial assets | | | | |
| - Investments | | | | |
| Investment in Bond- quoted | 8,034.98 | 7,914.13 | 150.00 | 172.50 |
| Total Financial assets | 8,034.98 | 7,914.13 | 150.00 | 172.50 |
| Financial liabilities | | | | |
| -Trust settlement fees | 27.76 | 27.76 | 22.89 | 22.89 |
| Total Financial liabilities | 27.76 | 27.76 | 22.89 | 22.89 |

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

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

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

Note 35: Financial risk management objectives and policies

Risk Management Framework

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

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

- a) Credit Risk
- b) Liquidity Risk
- c) Market Risk

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

a) Credit Risk

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

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

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

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

| Particulars | (Rs. In Lacs) | |
|---|------------------|------------------|
| | As at March-23 | As at March-22 |
| Trade Receivables | 751.81 | 462.56 |
| Debt Instruments in Securities for trade and Investment portfolio | 16,271.81 | 13,258.99 |
| Total | 17,023.63 | 13,721.55 |



Trade Receivables

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

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

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

As at March 31, 2023:

| Age of Trade Receivables | Expected Credit Loss Rate | | Gross Carrying Amount | | Expected Credit Loss | Net Carrying Amount |
|--------------------------|---------------------------|--|-----------------------|--|----------------------|---------------------|
| | Other than NCLT cases | NCLT cases/ other than NCLT cases where there is significant credit risk | Other than NCLT cases | NCLT cases/ other than NCLT cases where there is significant credit risk | | |
| 0-3 Months | 5% | 100% | 427.19 | - | 21.40 | 405.79 |
| 3-6 Months | 10% | 100% | 130.83 | 18.43 | 31.51 | 117.75 |
| 6-9 Months | 15% | 100% | 53.11 | - | 7.97 | 45.14 |
| 9-12 Months | 20% | 100% | 219.18 | 15.85 | 59.68 | 175.35 |
| 12-15 Months | 30% | 100% | 11.13 | 0.89 | 4.22 | 7.79 |
| 15-18 Months | 40% | 100% | - | 24.53 | 24.53 | - |
| 18-21 Months | 50% | 100% | - | 0.09 | 0.09 | - |
| 21-24 Months | 60% | 100% | - | 36.16 | 36.16 | - |
| 24 Months and above | 100% | 100% | - | 565.08 | 565.08 | - |
| Total | | | 841.44 | 661.03 | 750.65 | 751.81 |

(Rs. In Lacs)

As at March 31, 2022:

| Age of Trade Receivables | Expected Credit Loss Rate | | Gross Carrying Amount | | Expected Credit Loss | Net Carrying Amount |
|--------------------------|---------------------------|------------|-----------------------|---------------|----------------------|---------------------|
| | Other than NCLT cases | NCLT cases | Other than NCLT cases | NCLT cases | | |
| 0-3 Months | 5% | 40% | 389.08 | 9.69 | 29.15 | 369.63 |
| 3-6 Months | 10% | 40% | 30.89 | 17.05 | 20.13 | 27.80 |
| 6-9 Months | 15% | 40% | 17.82 | - | 2.67 | 15.15 |
| 9-12 Months | 20% | 40% | 62.48 | 137.66 | 150.15 | 49.98 |
| 12-15 Months | 30% | 40% | - | 159.13 | 159.13 | - |
| 15-18 Months | 40% | 40% | - | 52.38 | 52.38 | - |
| 18-21 Months | 50% | 50% | - | 19.11 | 19.11 | - |
| 21-24 Months | 60% | 60% | - | 53.83 | 53.83 | - |
| 24 Months and above | 100% | 100% | - | 511.24 | 511.24 | - |
| Total | | | 500.27 | 960.09 | 997.80 | 462.56 |

(Rs. In Lacs)

The gross carrying amount of trade receivables is Rs.1502.47 /- Lacs (2022: Rs. 1460.36 Lacs/-)

Reconciliation of impairment allowance on trade receivables

(Rs. In Lacs)

| Particulars | Amount |
|---|----------|
| Impairment allowance on 01st April 2022 | 998.90 |
| Created/(reversed) during the year | (248.25) |
| Impairment allowance on 31st March 2023 | 750.65 |



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



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Notes forming part of the Financial Statements as at and for the year ended March 31, 2023

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

b) Liquidity Risk

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

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

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

(ii) Maturities of financial assets and liabilities

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments at at March 31, 2023.

(Rs. In Lacs)

| Particulars | Less than 1 year | 1-5 years | Greater than 5 years | Total |
|--|---------------------|-----------------|-------------------------|------------------|
| Financial assets | | | | |
| Investment in Bond- quoted | - | | 8,034.98 | 8,034.98 |
| Investment in Mutual funds | | 1,583.28 | | 1,583.28 |
| Investment in Equity Instruments - Parent's Subsidiaries (unquoted) | - | - | 0.10 | 0.10 |
| Security deposits | | 91.71 | - | 91.71 |
| Other financial assets | | 6,653.45 | | 6,653.45 |
| Trade receivables | 751.81 | - | - | 751.81 |
| Cash and cash equivalents | 81.89 | - | - | 81.89 |
| Other financial assets | 328.92 | - | - | 328.92 |
| Total financial assets | 1,162.62 | 8,328.44 | 8,035.08 | 17,526.14 |
| Financial liabilities | | | | |
| Lease liabilities | 173.05 | 486.13 | - | 659.18 |
| Trade Payable | 16.32 | - | - | 16.32 |
| Trust settlement fees | 1.27 | 26.49 | - | 27.76 |
| Other financial liabilities- Current | 55.95 | - | - | 55.95 |
| Total financial liabilities | 246.59 | 512.62 | - | 759.21 |

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

(Rs. In Lacs)

| Particulars | Less than 1 year | 1-5 years | Greater than 5 years | Total |
|--|---------------------|-----------------|-------------------------|------------------|
| Financial assets | | | | |
| Investment in Bond- quoted | - | 150.00 | - | 150.00 |
| Investment in Equity Instruments - Parent's Subsidiaries (unquoted) | - | - | 0.10 | 0.10 |
| Security deposits | - | 84.35 | - | 84.35 |
| Other financial assets | | 3,685.30 | | 3,685.30 |
| Trade receivables | 462.56 | - | - | 462.56 |
| Cash and cash equivalents | 6,185.38 | - | - | 6,185.38 |
| Bank Balances other than mentioned above | 3,304.06 | - | - | 3,304.06 |
| Other financial assets | 368.61 | - | - | 368.61 |
| Total financial assets | 10,320.61 | 3,919.64 | 0.10 | 14,240.35 |
| Financial liabilities | | | | |
| Lease liabilities | 184.58 | 622.39 | - | 806.96 |
| Trade Payable | 9.99 | - | - | 9.99 |
| Trust settlement fees | 1.87 | 21.02 | - | 22.89 |
| Other financial liabilities- Current | 12.97 | - | - | 12.97 |
| Total financial liabilities | 209.41 | 643.41 | - | 852.82 |



C) Market Risk

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

i) Interest rate risk

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

ii) Price Risk

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

Sensitivity Analysis

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

(Rs. In Lacs)

| Particulars | As at March-23 | As at March-22 |
|--|-------------------|-------------------|
| Effect on profit and loss after tax | | |
| Investment in Equity Instruments - Parent's Subsidiaries (unquoted) | | |
| 10% increase in prices | 0.01 | 0.01 |
| 10% decrease in prices | (0.01) | (0.01) |
| Effect on Equity | | |
| 10% increase in prices | - | - |
| 10% decrease in prices | - | - |

Note: 36 Capital Management

Risk Management

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

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



37 Earnings per equity share (EPS)

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

| Particulars | (Rs. In Lacs) | |
|---|------------------------|------------------------|
| | Year ended March-23 | Year ended March-22 |
| Profit after tax | 2,873.52 | 1,570.71 |
| Weighted average number of equity shares: | | |
| - For Basic EPS (No.) | 10,00,000 | 10,00,000 |
| - For Diluted EPS (No.) | 10,00,000 | 10,00,000 |
| Nominal value per share (Rs.) | 10.00 | 10.00 |
| Earnings per share | | |
| - Basic in Rs. | 287.35 | 157.07 |
| - Diluted in Rs. | 287.35 | 157.07 |

38 Contingent Liabilities and Commitments:

| Particulars | (Rs. In Lacs) | |
|---|---------------------|---------------------|
| | As at 31 March 2023 | As at 31 March 2022 |
| Contingent Liabilities: | | |
| Claims against the Company/disputed liabilities not acknowledged as debts | - | - |

39 Managerial Remuneration

Remuneration, including allowances, to MD & CEO

| Particulars | (Rs. In Lacs) | |
|---------------------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
| Shri Rajasekhar Raghavan | | |
| Short term employee benefits | - | 24.19 |
| Post employee benefits | - | 2.80 |
| | - | - |
| Shri Bharat Mishra | | |
| Short term employee benefits | 48.63 | 18.76 |
| Post employee benefits | 4.44 | 2.07 |
| | - | - |
| Total | 53.07 | 47.82 |

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

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

40 Auditor's Remuneration

| Particulars | (Rs. In Lacs) | |
|-----------------------------------|---------------------------------------|---------------------------------------|
| | For the year ended 31st March 2023 | For the year ended 31st March 2022 |
| - Audit Fees | 1.72 | 1.72 |
| - Tax Audit | 1.50 | 1.40 |
| - Limited Review | 1.15 | 1.05 |
| - CFS & Other Certification | 1.20 | 1.20 |
| - Out-of-pocket expenses | 0.13 | 0.10 |
| Total payments to auditors | 5.70 | 5.47 |



41 Segment Reporting**- Primary Segment**

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

- Geographical Segment

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

42 Statement of corporate social responsibility expenditure

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

(Rs. In Lacs)

| Nature of expenses | Schedules in the financial statements | For the year ended March 2023 | For the year ended March 2022 |
|---|---------------------------------------|-------------------------------|-------------------------------|
| Corporate social responsibility expenditure | Other expenses | 45.17 | 43.92 |

The CSR committee constituted by the Board of Directors of the Company under provisions of the Section 135 of the Act supervises all the expenditure incurred for CSR purposes. Following is the information regarding projects undertaken and expenses incurred on CSR activities during the year ended 31 March 2023

(Rs. In Lacs)

| | | |
|---|--|-------|
| b) Gross amount required to be spent during the year | 43.50 | 42.63 |
| Amount spent during the year on | | |
| - (i) Construction/acquisition of any asset | - | - |
| - (ii) On purposes other than (i) above - in cash | 45.17 | 43.92 |
| c) shortfall at the end of the year | - | - |
| d) total of previous years shortfall | - | - |
| e) reason for shortfall, | N.A. | N.A. |
| f) nature of CSR activities | Promoting Healthcare, Eradicating hunger, Poverty and Malnutrition, Arts and Culture, Promoting Education. | |
| g) Amount spent during the year on CSR activities | | |
| (i) Contribution to a trust controlled by the company | - | - |
| (ii) Other related party expenditure | - | - |
| SBI Foundation Limited | - | - |

43 Micro and small enterprises

There are no micro, small and medium enterprises, to which company owes dues, as at March 31, 2023. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 that has been determined to the extent such parties have been identified on the basis of information available with the Company.

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

45 Dividends

Dividends paid during the year ended March 31, 2023 include an amount of Rs. 10 per equity share (Rs. 100 Lacs) towards Interim dividends for the year ended March 31, 2023.

Dividends declared by the company are based on the profit available for distribution. On April 13, 2023, the Board of Directors of the Company have proposed a final dividend of Rs. 1 per share in respect of the year ended March 31, 2023 subject to the approval of shareholders at the Annual General Meeting, and if approved, would result in a cash outflow of approximately Rs. 10 Lacs.



46 Events occurring after the balance sheet date

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

47 Balances held in Escrow account on behalf of clients:

| Particulars | (Rs. In Lacs) | |
|---|---------------------|---------------------|
| | As at 31 March 2023 | As at 31 March 2022 |
| A) In Current Account - Escrow accounts | 371.65 | 396.63 |
| B) Amount held in escrow account for remittance | 364.66 | 387.58 |
| C) Expenses Recoverable from Clients | 6.99 | 9.05 |
| Total (B+C) | 371.65 | 396.63 |

48 Additional Disclosures:

- a) Title Deeds of Immovable properties- The title deeds of the Immovable properties are held in the name of the Company.
- b) Revaluation of Property, Plant and Equipment's (PPE): The Company has not revalued its PPE, accordingly the disclosure of information related to this point is not applicable.
- c) Capital-work-in-progress (CWIP) : The company does not have any CWIP , accordingly the disclosure of information related to this point is not applicable.
- d) Loan and advances granted to promoters, directors, KMPs and the related parties: The Company has not granted loans and advances in the nature of loan to promoters, directors, KMPs and the related parties (as defined under the Act), accordingly the disclosure of information related to this point is not applicable.
- e) Intangible Assets under development: - The Company does not have any Intangible Assets under development as on the Balance Sheet date therefore this disclosure requirement is not applicable.
- f) Details of Benami Property Held: In opinion of the management, neither the Company hold any benami property nor any proceedings have been initiated or pending against the Company for holding any benami property under the "Benami Transactions /prohibition)Act.
- g) Willful Defaulter: On the basis of information available with the management, the Company is not a willful defaulter.
- h) Undisclosed Income: During the year, the Company has not surrendered or disclosed any undisclosed income in the tax assessment under the applicable provisions of the Income Tax Act, 1961 .
- i) Details of Crypto Currency or Virtual Currency: During the year, the Company has neither traded nor invested in crypto currency or
- j) Relationship with Struck off Companies: In opinion of the management, the Company has not undertaken any transactions with
- k) Registration of Charges or Satisfaction with Registrar of Companies: During the year, the Company has not availed any credit facility
- l) The other additional disclosures and information's (not specifically disclosed) as required by Schedule III are either nil or not applicable.



SBICAP Trustee Company Limited

Notes forming part of the Financial Statements as at and for the year ended March 31, 2023

| 49 Analytical Ratios: | Numerator | Mar-23 | Mar-22 | % Variance | Reasons for Variance |
|---|-----------|--------|--------|------------|---|
| Current Ratio (Current Asset/ Current Liabilities) | Times | 0.91 | 8.79 | -90% | Short term investment moved to long term category. |
| Return on Equity/Investment Ratio (Net Profit after tax/ Shareholder's fund) | % | 19% | 12% | 50% | Revenue growth along with higher efficiency on working capital improvement has resulted in an improvement in the ratio. |
| Trade Receivables turnover Ratio (Operating Income/ Average trade receivable) | Times | 3.25 | 1.70 | 91% | ---do--- |
| Net capital turnover Ratio (Operating Income/Shareholder's fund) | Times | 0.31 | 0.30 | 2% | - |
| Net profit Ratio (Net Profit after tax/Operating Income) | % | 60% | 41% | 47% | ---do--- |
| Return on Capital Employed (Earning before interest and Tax /Capital employed) | % | 23% | 16% | 43% | ---do--- |

For Vyas & Vyas

Chartered Accountants
Firm Registration No. 000590C

Shraddha Khare
Shraddha Avinash Khare
Partner
Membership No.123263



UDIN - 23123263 BG WPLR 1130

Place: Mumbai
Date: 17th April 2023

For and on behalf of the Board of Directors

SBICAP Trustee Company Limited

Ravi Ranjan
Ravi Ranjan
Director
DIN: 09655948



Bharat Mishra
Bharat Mishra
MD & CEO
DIN: 08116907

Aayushi Sanghavi
Aayushi Sanghavi
Company Secretary
Membership No. A52128