

SBICAP Securities Limited			
Balance sheet as at March 31, 2023			
Particulars	Notes	(Amount in lakhs)	
		As at March 31, 2023 (Audited)	As at March 31, 2022 (Audited)
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	3	31,847.74	46,631.51
(b) Bank balance other than Cash and cash equivalents	4	60,437.72	51,487.54
(c) Receivables			
(i) Trade Receivables	5	91,020.05	78,776.64
(ii) Other receivables			
(d) Investments	6	0.10	0.10
(e) Other Financial Assets	7	1,040.92	923.88
Total Financial Assets		184,346.53	177,819.67
(2) Non-Financial Assets			
(a) Current Tax Assets (net)	8	1,070.79	1,354.55
(b) Deferred tax Assets (net)	9	1,310.37	916.91
(c) Property, Plant and Equipment	10(a)	1,118.80	1,460.28
(d) Right of use-assets	10(b)	895.41	1,034.95
(e) Capital work-in-progress		-	-
(f) Intangible Assets under			8.55
(g) Intangible Assets	11	1,696.47	1,670.14
(h) Other Non-financial Assets	12	2,941.62	2,471.71
Total Non-Financial Assets		9,033.46	8,917.09
Total Assets		193,379.99	186,736.76
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables	13		
(i) Trade Payables			
(ia)		Total outstanding dues of MSME	-
(ib)		Total outstanding dues of creditors other than MSME	19,000.05
(ii) Other Payables			20,425.32
(ia)		Total outstanding dues of MSME	7.38
(ib)		Total outstanding dues of creditors other than MSME	519.64
(b) Debt securities	14(a)	-	29,798.11
(c) Borrowings (other than debt securities)	14(b)	46,539.36	43,420.08
(d) Lease Liabilities	15(a)	951.63	1,119.21
(e) Other Financial Liabilities	15(b)	11,192.48	7,061.27
Total Financial Liability		78,210.54	102,234.39
(2) Non-Financial Liabilities			
(a) Deferred Tax Liabilities (net)		-	-
(a) Current Tax Liability (Net)		-	-
(b) Provisions	16	815.61	591.26
(c) Other Non-Financial Liabilities	17	5,982.24	3,918.83
Total Non-Financial Liabilities		6,797.85	4,510.09
(3) EQUITY			
(a) Equity Share capital	18	9,687.50	9,687.50
(b) Other Equity	19	98,684.10	70,304.78
Total Equity		108,371.60	79,992.28
Total liabilities and equity		193,379.99	186,736.76

Summary of significant accounting policy

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

As per our report of even date attached

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

CA Raman Hangekar
Partner
Membership No.: 030615



Mumbai
April 18, 2023

1-2

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

Deepak Kumar Lalla
Managing Director & CEO

Sushanta Kumar Das
Whole time Director & CFO

Mumbai
April 18, 2023

Dhanashri Kenkre
Company Secretary



SBICAP Securities Limited Statement of Profit and Loss for the year ended March 31, 2023			
Particulars	Notes	(Amount in lakhs)	
		For the year ended March 31, 2023 (Audited)	For the year ended March 31, 2022 (Audited)
Revenue from operations			
Interest Income	20	2,801.22	1,806.81
Fees and Commission Income	21	108,936.54	72,489.35
Other operating income	22	8,381.27	7,987.31
Total Revenue from operations		120,119.03	82,283.47
Other Income	23	201.33	686.95
Total Income		120,320.36	82,970.42
Expenses			
Finance Costs	24	3,996.84	1,169.95
Fees and Commission Expense	25	5,896.67	3,417.55
Employee Benefits Expenses	26	40,125.02	25,968.72
Depreciation and amortisation	27	2,730.30	2,269.40
Other Expenses	28	26,409.68	18,942.90
Total Expenses		79,158.51	51,768.52
Profit before exceptional items and tax		41,161.85	31,201.90
Exceptional items		-	-
Profit before tax		41,161.85	31,201.90
Tax expense			
Current tax		10,750.00	7,950.00
Deferred tax Liability (Asset)	9	(392.43)	(49.30)
(Excess)/Short provision of previous years		-	-
Total tax expense		10,357.57	7,900.70
Profit for the Year		30,804.28	23,301.20
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
i) Remeasurement gains/(losses) on defined employee benefit plans	19	(4.12)	(39.47)
ii) Income tax relating to above item (Liability) Asset	9	1.04	26.92
Total Other Comprehensive Income for the period (net of tax)		(3.08)	(12.55)
Total Comprehensive Income for the period/year		30,801.20	23,288.65

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

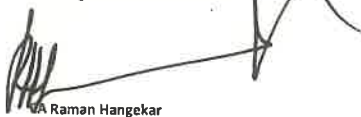
Basic	42	31.80	24.05
Diluted		31.80	24.05

Summary of significant accounting policy

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

As per our report of even date attached

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



Raman Hangekar
Partner
Membership No.: 030615



Mumbai
April 18, 2023

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



Deepak Kumar Lalla
Managing Director & CEO


Sushanta Kumar Das
Whole time Director & CFO

Mumbai
April 18, 2023


Dhanashri Kenkre
Company Secretary



SBICAP Securities Limited
Cash flow statement for the year ended March 31, 2023

(Amount in lakhs)


	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash flow from operating activities :-		
Profit before tax after OCI	41,158.77	31,189.34
<u>Non-cash adjustments</u>		
Depreciation and amortization	2,730.30	2,269.40
Finance Cost	3,996.84	1,169.95
Provision for doubtful debts net of bad debts	796.90	309.40
Provision for leave encashment / gratuity	224.35	99.74
Operating profit before working capital changes	48,907.15	35,037.83
Adjustments for changes in working capital :		
Increase/(decrease) in current trade payables	(1,308.65)	(2,845.62)
Increase/(decrease) in other current liabilities	4,435.05	(15.99)
Increase/(decrease) in other long term liabilities	2,063.41	1,131.24
Decrease/(increase) in current trade receivables	(13,040.31)	(40,955.89)
Decrease/(increase) in margin and other deposits	(8,950.18)	(17,216.63)
Decrease/(increase) in long term loans and advances	(117.04)	(254.14)
Decrease/(increase) in short term loans and advances	(109.70)	(1,058.93)
Decrease/(increase) in other current assets	(469.91)	(357.77)
Cash generated from operations before tax	31,409.83	(26,535.90)
Direct taxes paid	(10,357.58)	(7,900.70)
Expense Incurred on CSR Activities	(471.42)	(328.46)
I. Net cash generated from operating activities	20,580.83	(34,765.06)
Cash Flow from Investing activities :-		
Purchase of Property, Plant and Equipment	(2,268.76)	(1,980.37)
Sale of Property, Plant and Equipment	1.71	5.90
Dividend income	-	-
II. Net cash used in investing activities.	(2,267.05)	(1,974.47)
Cash Flow from financing activities :-		
Proceeds from issue of shares	-	-
Dividend payout	(2,421.88)	-
Proceeds/(Repayment) from Borrowings	(26,678.83)	69,543.93
Interest paid on Bank OD	(3,996.84)	(1,169.95)
III. Net cash provided by financing activities	(33,097.55)	68,373.98
Net change in cash & cash equivalents (I+II+III)	(14,783.77)	31,634.45
Cash & cash equivalents at the beginning of the year	46,631.51	14,997.06
Cash & cash equivalents at the end of the year	31,847.74	46,631.51
Components of cash and cash equivalents		
Balance with banks :		
On current accounts	31,847.71	46,631.46
Cash on hand	0.03	0.05
Total cash and cash equivalents (Note 16)	31,847.74	46,631.51

Summary of significant accounting policies

2.1

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

As per our report of even date attached

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

CA Raman Hangekar
Partner
Membership No. : 030615



Mumbai
April 18, 2023

For and on behalf of the Board of Directors of
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Dhanashri Kenkre
Company Secretary



SBICAP Securities Limited
Statement of changes in Equity for the year ended March 31, 2023

A. Equity share capital

Particular	(Amount in lakhs)
Balance at the beginning of the year	
As at April 01, 2022	9,687.50
Changes due to Prior period error	-
Changes in equity share capital During the year	-
Balance at end of current financial year - March 31, 2023	9,687.50

B. Other equity

(Amount in lakhs)

Particulars	Reserves and Surplus			Total
	Securities premium	General Reserve	Retained Earnings	
Balance as at April 01, 2021	2812.50	30.52	44173.11	47016.13
Profit for the year	0.00	0.00	23301.20	23301.20
Other Comprehensive Income for the year	0.00	0.00	-12.55	-12.55
Total Comprehensive Income for the year	0.00	0.00	23288.65	23288.65
Transferred to General Reserve	0.00	0.00	0.00	0.00
Transferred from Retained Earnings	0.00	0.00	0.00	0.00
Balance as at March 31, 2022	2812.50	30.52	67461.76	70304.78
Balance as at April 01, 2022	2812.50	30.52	67461.76	70304.78
Profit for the year	0.00	0.00	30804.28	30804.28
Other Comprehensive Income for the year	0.00	0.00	-3.08	-3.08
Total Comprehensive Income for the year	0.00	0.00	30801.20	30801.20
Interim Dividend paid during the year			2421.88	2421.88
Transferred to General Reserve	0.00	0.00	0.00	0.00
Transferred from Retained Earnings	0.00	0.00	0.00	0.00
Balance as at March 31, 2023	2812.50	30.52	95841.08	98684.10

Summary of significant accounting policies

As per our report of even date attached

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



CA Raman Hangekar
Partner
Membership No.: 030615



Mumbai
April 18, 2023

For and on behalf of the Board of Directors of
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Deepak Kumar Laha
Managing Director & CEO



Sushanta Kumar Das
Whole time Director & CFO

Mumbai
April 18, 2023




Dhanashri Kenkre
Company Secretary

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

SBICAP Securities Limited

1. Corporate Information:

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

2. Basis of preparation of financial statements

Basic of accounting convention:

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

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

2.1 Summary of significant accounting policies

a. Use of estimates

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



financial statements, actual results could differ from these estimates and assumptions. Adjustments, if any, are recognised prospectively.

b. Inventories

The securities acquired with the intention of holding for short-term and trading are classified as stock-in-trade. The securities held as stock-in-trade are valued at fair value through profit and loss account in accordance with Ind AS 109.

c. Property, Plant and Equipment and depreciation

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

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

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

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

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

Description of assets Useful Life in years Method of Depreciation



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

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

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

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

d. Impairment of assets

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

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

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



month expected credit losses, or an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii) Impairment of non-financial assets

Tangible and Intangible assets

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

e. Financial Instruments

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

Cash and cash equivalents

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



Financial assets at amortised cost

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

Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss

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

Equity instruments

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

Financial liabilities

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



f. Revenue recognition

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

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

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

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

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

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

g. Foreign currency transactions

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

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

Subsequent recognition: As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the



transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

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

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

h. Retirement and other employee benefits

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

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

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

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

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



i. Segment Reporting

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

j. Operating Leases

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

k. Earnings per share

Basic and diluted earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

1. Income Taxes

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

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

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

Deferred tax :

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of



assets and liabilities and their carrying amount, except when the deferred income tax arises from an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

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

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

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

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

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

m. Provisions and Contingent Liabilities

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

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



**n. Lease
Company as a Lessee**

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

Measurement:

Right of Use Asset

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

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

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

Lease Liability:

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

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

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



Short term lease

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

Subsequent measurement & depreciation

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

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

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



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

Note 3: Cash and Cash Equivalents

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Cash and Cash Equivalents		
Cash on hand	0.03	0.05
Balance with banks : In current accounts	31,847.71	46,631.46
	31,847.74	46,631.51

Note 4: Bank balance other than Cash and cash equivalents

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Bank Deposits (Having Maturity more than 3 Months and includes interest accrued on deposits)	60,437.72	51,487.54
	60,437.72	51,487.54

Note :

Bank Balance other than cash and cash equivalent consist of restricted bank balance amounting to Rs. 59,941.15 lakhs (As at March 31, 2022 Rs. 51,226.14 lakhs.) The restriction are primarily on account of Bank balance held as lien by Stock Exchange/Banks/PFRDA/UIDAI.

Note 5: Receivables

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Trade Receivables		
Considered Good- Secured	4,358.76	4,273.38
Considered Good- unsecured	86,661.29	74,503.26
Trade Receivables which have significant increase in credit risk		
Trade Receivables- Credit impaired	2,130.39	1,660.65
Total	93,150.44	80,437.29
Less: Loss allowance	2,130.39	1,660.65
Net receivable as on March 31, 2023	91,020.05	78,776.64

Note:

1. The Company has provided allowance for doubtful debts based on the lifetime expected credit loss model using provision policy.(simplified approach)
2. No Trade or other receivables are due from directors or any other officers of the company either severally or jointly with any other persons. Nor any trade or other receivables are due from firms including LLP or private companies respectively in which such director is a member, director or partner.

3. For dues to related party please refer note on related party transaction

Movement in allowance for doubtful debt :

Particulars	(Amount in lakhs)	
	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	1,660.65	1,351.25
Add: Allowance for the year	796.90	689.52
Less: Write off of bad debts (net of recovery)	(327.16)	(380.13)
Balance at the end of year	2,130.39	1,660.65
Total	2,130.39	1,660.65

Trade Receivables ageing schedule as on March 31, 2023

Particulars	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	74,887.37	524.90	49.77	0		75,462.04
(ii) Undisputed Trade Receivables — which have significant Increase in credit risk						
(iii) Undisputed Trade Receivables — credit impaired	361.61	765.78	567.8	20.63	414.57	2,130.39
(iv) Disputed Trade Receivables—considered good						
(v) Disputed Trade Receivables — which have significant increase in credit risk						
(vi) Disputed Trade Receivables — credit impaired						
Net Receivable	75,248.98	1,290.68	617.57	20.63	414.57	77,592.43
Unbilled revenue						15,558.01
Not due						
Total Receivables	75,248.98	1,290.68	617.57	20.63	414.57	93,150.44



Trade Receivables ageing schedule as on March 31, 2022

Particulars	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	64,537.45	448.97	79.76			65,066.18
(ii) Undisputed Trade Receivables — which have significant increase in credit risk						
(iii) Undisputed Trade Receivables — credit impaired	525.45	354.57	44.24	59.03	677.36	1,660.65
(iv) Disputed Trade Receivables—considered good						
(v) Disputed Trade Receivables — which have significant increase in credit risk						
(vi) Disputed Trade Receivables — credit impaired						
Net Receivable	65,062.90	803.54	124.00	59.03	677.36	66,726.83
Unbilled revenue						13,710.46
Not Due						
Total Receivables	65,062.90	803.54	124.00	59.03	677.36	80,437.29

Note 6: Investments

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Investments carried at FVTPL	0.10	0.10
Investment In Unquoted Equity Shares (In India)		
SBI Foundation		
CY: 1,000 (PY March 31, 2022: 1,000) shares of Rs.10 each		
	0.10	0.10

Note 7: Other Financial Assets

Particulars	For the year ended March 31, 2023	For the year March 31, 2022
Non-Current		
(Unsecured, considered good)		
Deposits with stock exchanges/clearing house	431.10	428.50
Deposits with Government authorities	-	-
Security Deposits	609.82	495.38
(Unsecured, considered doubtful)		
Arbitration Deposit	53.72	53.84
Less : Impairment allowance	(53.72)	(53.84)
	-	0.00
Total Non-Current	1,040.92	923.88



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

Note 8: Current tax Assets (net)

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Advance income-tax	1,070.79	1,354.55
[net of provisions for taxation of Rs.10,750.00 Lakhs (March 31, 2022 Rs.7,950.00 Lakhs)]		
	1,070.79	1,354.55

Note 9: Deferred tax assets (net)

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred Tax Assets (Assets)		
Property, Plant and Equipment : (Depreciation)	87.43	25.14
Provision for doubtful debts	536.22	417.99
Provision for Performance linked variable plan	459.35	303.89
Provision for Arbitration	13.52	13.55
Provision for incentive payable		-
Provision for Gratuity	79.49	28.02
Provision for other employee benefits	125.80	120.80
OCI Impact	8.56	7.52
Gross deferred tax asset	1,310.37	916.91
Deferred Tax Liability - Liability - Other Comprehensive Income		
Gross deferred tax liability		
Deferred tax assets (net)	1,310.37	916.91



Note 10:
Property, Plant and Equipment
Tangible assets

	Office Equipments	Furniture & Fixtures	Computers	Total
GROSS BLOCK (AT COST)				
At April 1, 2021	219.94	116.98	6664.89	7001.81
Additions	68.04	49.30	870.50	987.85
Disposals	-45.34	-13.86	-2163.63	-2440.83
At March 31, 2022	242.64	152.42	5371.76	5766.83
Additions	95.26	95.80	308.69	500.75
Disposals	-1.07	0.00	-2.11	-3.18
At March 31, 2023	336.84	248.22	5680.35	6265.41
DEPRECIATION				
At April 1, 2021	193.23	111.44	5367.75	5672.41
Charge for the year	37.95	16.33	801.59	855.87
Disposals	-44.08	-23.81	-2360.95	-2428.73
At March 31, 2022	186.20	103.96	3808.39	4098.55
Charge for the year	72.43	37.28	720.60	840.31
Disposals	-0.47	0.00	-0.99	-1.46
At March 31, 2023	258.15	141.25	4528.00	4927.40
NET BLOCK				
At March 31, 2022	56.45	48.46	1563.37	1660.28
At March 31, 2023	78.69	96.98	943.13	1118.80

Note : 10(B)
Right of Use assets (ROU)

	ROU	Total
GROSS BLOCK (AT COST)		
At April 1, 2021	3862.64	3862.64
Additions	0.00	0.00
Disposals	0.00	0.00
At March 31, 2022	3862.64	3862.64
Additions	669.31	669.31
Disposals	-343.24	-343.24
At March 31, 2023	4188.71	4188.71
DEPRECIATION		
At April 1, 2021	2199.32	2199.32
Charge for the year	628.36	628.36
Disposals	0.00	0.00
At March 31, 2022	2827.68	2827.68
Charge for the year	682.63	682.63
Disposals	-217.02	-217.02
At March 31, 2023	3293.30	3293.30
NET BLOCK		
At March 31, 2022	1034.95	1034.95
At March 31, 2023	895.41	895.41

Note 11:
Intangible assets

	Computer Software	Total
GROSS BLOCK (AT COST)		
At April 1, 2021	3347.90	3347.90
Additions	1303.10	1303.10
Disposals	-1409.83	-1409.83
At March 31, 2022	3241.17	3241.17
Additions	1233.49	1233.49
Disposals	0.00	0.00
At March 31, 2023	4474.66	4474.66
AMORTIZATION		
At April 1, 2021	2195.70	2195.70
Charge for the year	785.16	785.16
Disposals	-1409.83	-1409.83
At March 31, 2022	1570.49	1570.49
Charge for the year	1207.16	1207.16
Disposals	0.00	0.00
At March 31, 2023	2778.19	2778.19
NET BLOCK		
At March 31, 2022	1670.14	1670.14
At March 31, 2023	1696.47	1696.46

CWIP ageing schedule for year ended March, 2023:

	Amount in CWIP for a period of				(in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*
Projects in progress	-	-	-	-	0.00
Projects temporarily suspended	-	-	-	-	-

Intangible assets under development ageing schedule for year ended March 2023 :

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

CWIP ageing schedule for FY ended March 2022

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

Intangible assets under development ageing schedule for FY ended March 2022

	Amount in IAUD for a period of				(in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*
Projects in progress	8.55	-	-	-	8.55
Projects temporarily suspended	-	-	-	-	-



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

Note 12: Other Non-financial Assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current		
(Unsecured, considered good)		
Advances to Suppliers	242.66	167.01
Advances to Employees	213.07	148.84
Mediclaime Deposit	-	-
Prepaid Expenses	725.25	711.66
Goods & Service Tax Input credit available	1,759.41	1,430.70
Imprest Account	0.53	0.46
Total Current	2,940.92	2,458.66
Non-Current		
(Unsecured, considered good)		
Capital Advances	0.70	13.05
Total Non-Current	0.70	13.05
Total	2,941.62	2,471.71

Note 13: Payable

(i) Trade Payable		(Amount in lakhs)	
Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022	
Current			
Trades executed not settled (exchanges)	-	0.07	
Trade payables (relating to Brokerage business)	17,008.54	19,111.32	
Trade payables (Selling and Distribution and others)	1,991.51	1,313.93	
	19,000.05	20,425.32	
(ii) Other Payable			
Other Payable (non MSME)	519.64	410.40	
Other Payable (MSME)	7.38	-	
	527.02	410.40	

Trade Payables ageing schedule 31-03-2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.38				7.38
(ii) Others	19,512.75	6.94			19,519.69
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					
Total					19,527.07

Trade Payables ageing schedule 31-03-2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME					
(ii) Others	20,817.88	17.84			20,835.72
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					
Total					20,835.72



Dues to Micro and Small Enterprises:-

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), The disclosure pursuant to the said MSMED are as under:-

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	7.38	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amount due to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years.	-	-

*MSME dues are based on confirmation received from clients of their MSME status.

Note 14 (a) : Debt Securities

(Amount in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
At Amortized cost using effective interest rate		
Unsecured		
- From Commercial Papers (refer note 41)- (In India)	-	29,798.11
	-	29,798.11

Tenure

75 to 91 days

90 days

Rate of interest

4.45% to 7.24%

4.39% to 4.50%

Repayment schedule

At maturity

At maturity

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

(Amount in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current		
At Amortized cost		
Loan Repayable on demand (From Bank)		
Bank Overdraft - Secured (in India)	46,539.36	43,420.08
	46,539.36	43,420.08

Rate of Interest and Date of overdraft facility

1. Demand Loan of Rs.27000.00 lakhs with Indusind bank as per details given below (Previous Year Rs.18000.00 lakhs secured by Trade Receivables (MTF).

Period	Amount of Overdraft facility	Rate of interest (p.a.)	Days
18 January 2023 to 18 April 2023	50 crores	0.07	90.00
25 January 2023 to 25 April 2023	50 crores	0.07	90.00
18 March 2023 to 17 April 2023	100 crores	0.07	90.00
28 March 2023 to 27 April 2023	70 crores	0.07	90.00

2. Bank Overdraft of Rs. 19,539.36 Lakhs with State Bank of India, out of the same O/s amount of Rs 16,994.27 carry interest rates of 7.15% per annum (secured by 100% margin in form of Bank Fixed deposits) and remaining O/s amount of Rs 2,545.09 carries interest rate of 8.30% per annum (secured by 50% margin in the form of Bank Fixed deposits) (Previous Year 25,420.08/-).



Note 15 (a) : Lease Liabilities

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current		
Lease Liability	466.55	764.81
Non Current		
Lease Liability	485.08	354.40
	951.63	1,119.21

Note 15 (b) : Other Financial Liabilities

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current		
Capital Creditors	9.06	9.00
Payable to Employees	8,106.29	4,593.82
Other Accrued Expense	3,072.83	2,442.12
Total Current	11,188.18	7,044.94
Non-Current		
Retention money for Capital expenditure	4.30	16.33
Franchisee security deposits	-	-
Total Non-Current	4.30	16.33
Total	11,192.48	7,061.27

Note 16: Provisions

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Current		
Provision for employee benefits		
Provision for gratuity	-	-
Provision for leave benefits	210.47	194.05
Total Current	210.47	194.05
Non-Current		
Provision for employee benefits		
Provision for gratuity	315.83	111.33
Provision for leave benefits	289.31	285.88
Total Non-Current	605.14	397.21
Total	815.61	591.26



Note 17: Other Non-Financial Liabilities

(Amount in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current		
Contract Liability	2,140.95	1,437.77
Statutory Dues	3,841.29	2,481.06
Total	5,982.24	3,918.83

Contract Liability

Revenue relating to DP AMC services is recognised over time although the customer pays up-front in full for these services. A contract liability is recognised for revenue relating to the DP AMC at the time of the initial transaction and is released over the service period.

Significant Changes in Contract Liability during the period are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance of the Contract liability	1,437.77	977.45
Revenue recognized during the current period from amount included in the opening balance	1,437.77	977.45
Closing Balance of Contract liability	2,140.95	1,437.77

The Carrying value and fair value of financial instruments by categories as of March 31, 2023 and March 31, 2022 were as follows :

Financial Assets and Liabilities as at March 31, 2023	Carried at Amortized cost	Routed through Profit and Loss	Routed through Other Comprehensive Income	Total Amount
Assets				
Investments (Refer to Note 6)		0.10	-	0
Trade Receivables (Refer to Note 5)	91,020.05			91,020.05
Cash and cash equivalents (Refer to Note 3)	31,847.74			31,847.74
Bank balance other than Cash and cash equivalents (Refer Note 4)	60,437.72			60,437.72
Other Financial Assets (Refer to Notes 7)	1,040.92			1,040.92
Total	184,346.43	0.10		184,346.53
Liabilities				
Debt Securities and Borrowings (Refer to Note 14)	46,539.36			46,539.36
Trade and other Payables (Refer to Note 13)	19,527.07			19,527.07
Other Financial Liabilities (Refer to Notes 15)	11,192.48			11,192.48
Total	77,258.91			77,258.91

Financial Assets and Liabilities as at March 31, 2022	Carried at Amortized cost	Routed through Profit and Loss	Routed through Other Comprehensive Income	Total Amount
Assets				
Investments (Refer to Note 6)		0.10	-	0.10
Trade Receivables (Refer to Note 5)	78,776.64			78,776.64
Cash and cash equivalents (Refer to Note 3)	46,631.51			46,631.51
Bank balance other than Cash and cash equivalents (Refer Note 4)	51,487.54			51,487.54
Other Financial Assets (Refer to Notes 7)	923.88			923.88
Total	177,819.57	0.10		177,819.67
Liabilities				
Debt Securities and Borrowings (Refer to Note 14)	73,218.19			73,218.19
Trade Payables (Refer to Note 13)	20,835.71			20,835.71
Other Financial Liabilities (Refer to Notes 15)	7,061.27			7,061.27
Total	101,115.17			101,115.17



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

Note 18: Equity Share capital

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Authorised share capital		
250,000,000 (Previous year March 31, 2022: 250,000,000) Equity Shares of Rs. 10 each	25,000.00	25,000.00
Issued, subscribed and paid-up share capital		
96,875,000 (Previous year March 31, 2022 : 96,875,000) Equity Shares of Rs.10 each	9,687.50	9,687.50
Total Issued, subscribed and paid-up share capital	9,687.50	9,687.50

Notes :

a. Reconciliation of shares outstanding as at Sum of March 31, 2023 and March 31, 2022

Equity shares	March-23		March-22	
	No. of shares	Lakhs	No. of shares	Lakhs
Outstanding at the beginning of the year	96,875,000	9,687.50	96,875,000	9,687.50
And: Issued during the year for cash	-	-	-	-
Outstanding at the end of the period	96,875,000	9,687.50	96,875,000	9,687.50

b. Terms/rights attached to equity shares

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

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

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
SBI Capital Market Ltd., the holding company & its nominees		
96,875,000 (Previous year March 31, 2022) Equity Shares of Rs.10 each	9,687.50	9,687.50

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

	March-23		March-22	
	No. of shares	% of holding	No. of shares	% of holding
Equity shares of Rs.10 each fully paid up				
SBI Capital Market Ltd., the holding Company & its nominees	96,875,000	100%	96,875,000	100%

Shareholding of promoters

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

e. The company does not have any shares reserved for issue under options, contract/commitments for sale of shares/disinvestments as at March 31, 2023.

f. During the period of five years immediately preceding March 31, 2023, the Company has not issued any bonus shares or shares for consideration other than cash and also the company has not bought back any shares during this period.

g. The Company does not have any securities as at March 31, 2023, which are convertible into equity/preference shares.

h. As per records of the Company, no calls remain unpaid by the directors and officers of the Company as on March 31, 2023.

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

j. There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment as on March 31, 2023.



Capital Management

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 equity, operating cash flows generated and short term debt. The Company is not subject to any externally imposed capital requirements.

SBICAP Securities Limited Notes forming part of financial statements for the year ended March 31, 2023

Note 19: Other Equity Other equity consists of the following :

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Reserve and Surplus		
Securities Premium Reserve		
Opening Balance	2,812.50	2,812.50
Add: premium on issue of shares received during the period	-	-
Closing balance	2,812.50	2,812.50
General Reserve		
Opening Balance	30.52	30.52
Add : amount transferred from surplus balance in the statement of profit and loss	-	-
Closing balance	30.52	30.52
Retained Earnings		
Opening Balance	67,461.76	44,173.11
Add: Profit for the period	30,804.28	23,301.20
Add: Other Comprehensive Income for the period (net of tax)	(3.08)	(12.55)
Less: Interim Dividend on equity shares	(2,421.88)	-
Closing balance	95,841.08	67,461.76
Total	98,684.10	70,304.78



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

Note 20 : Interest Income

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest earned on Bank Deposits	2,801.22	1,806.81
Total	2,801.22	1,806.81

Note 21 : Fees and Commission Income

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Brokerage	34,427.12	27,943.62
Sub-Total (A)	34,427.12	27,943.62
Selling and distribution commission(S&D)		
Mutual funds	624.86	578.32
Initial Public Offerings(IPO)	916.29	325.89
Bonds/Debentures	405.19	436.26
Wholesale Debt	-	-
Home Loan/Car Loan	64,404.88	37,771.50
Others	3,332.82	1,970.60
Sub-Total (B)	69,684.04	41,082.56
Depository service income	4,825.38	3,463.17
Sub-Total (C)	4,825.38	3,463.17
Total (A+B+C)	108,936.54	72,489.35



Note 22: Other operating income

(Amount in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Account opening charges	3,752.97	2,798.18
Subscription Income	3,098.11	2,318.09
Miscellaneous income	1,530.19	2,871.04
Total	8,381.27	7,987.31

Note 23 : Other Income

(Amount in lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provisions written back:		
a) Incentive and Performance linked variable payment	148.89	681.92
b) Other provisions w/back		0.12
c) S&D Sub commission W/back provision	3.54	-
Profit on Sale of Property, Plant and Equipment (net) & Termination of lease	44.50	4.91
Dividend Income	0.02	-
Others	4.38	-
Total	201.33	686.95

NOTE: Policy for Recognition and satisfaction of performance obligation of Revenue from contracts with customers.

(a) Timing of revenue recognition

Brokerage

Service transferred over time and at point in time

Selling and Distribution Income- Commission

Service transferred point in time

(b) Performance obligation**(i) Brokerage**

Brokerage Fee Income Revenue recognition for brokerage fees can be divided into the following two categories:

Brokerage Fees – Over Time Fees earned for the provision of services are recognised over time as the customer simultaneously receives and consumes the benefits, as the services are rendered. These include brokerage fees, which is fixed at inception irrespective of number of transactions executed. The revenue for such contracts is recognised over the term of the contract.

Brokerage Fees – Point in Time Revenue from contract with customer is recognised point in time when performance obligation is satisfied (when the trade is executed). These include brokerage fees which is charged per transaction executed.

(ii) Selling and Distribution Income- Commission

Commissions from distribution of financial products (Retail assets) are recognised upon disbursement of the product to the applicant.

(c) Geographical

Geographical location for revenue from contracts with customers is only from India



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

Note 24: Finance Costs

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Debt securities	1,507.02	126.47
Interest on Short Term Borrowings	2,397.24	937.57
Interest on Lease Liability	92.58	105.91
Total	3,996.84	1,169.95

Note 25: Fees and Commission Expense

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Selling and distribution sub-commission	5,896.67	3,417.55
Total	5,896.67	3,417.55

Note 26: Employee Benefits Expenses

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	36,765.66	23,302.01
Contribution to provident and other funds	2,225.31	1,735.87
Gratuity expense	225.68	235.30
Staff welfare expenses	908.37	695.54
Total	40,125.02	25,968.72

Note 27: Depreciation and amortisation

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation & Amortization :		
Depreciation on Property Plant and Equipment (Refer Note 10)	840.51	855.87
Depreciation on ROU (Refer Note 10 B)	682.63	628.36
Amortization on Intangible Assets (Refer Note 11)	1,207.16	785.16
Total	2,730.30	2,269.40



Note 28 : Other Expenses

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
Lease Rent	1,035.71	701.23
Repairs and maintenance	851.20	550.19
Hiring Charges	419.07	473.92
Advertisement	36.61	13.05
CSR Expense	471.42	328.46
Travelling and Conveyance Expenses	350.39	124.59
Communication Expenses	759.71	944.93
Printing and stationery	149.71	129.04
Legal and Professional Fees	1,345.42	1,200.26
Director's sitting fees	10.30	12.04
Payment to Auditors	26.35	29.44
Electricity charges	250.97	164.49
Membership and subscriptions	508.40	460.22
Office Maintenance	373.77	317.33
Staff recruitment	51.92	59.74
Books and periodicals	2.19	3.08
Business promotion	1,358.40	25.37
Courier charges	175.19	218.95
Insurance charges	12.42	8.32
Registration charges	6.57	1.50
Rates and Taxes	11.25	9.77
Royalty Expenses	629.00	475.53
Interest on Delayed Payment of Taxes	0.23	0.13
Stamp and franking charges	35.57	50.89
Bank Charges	408.19	302.94
Miscellaneous Expenses	8.64	2.42
Stamp duty		0.01
Insurance Charges-stock brokers Indemnity	6.61	6.61
Cost of outsourced staff	14,164.01	10,202.32
Other operating expenses	2,153.55	1,436.60
Provision for doubtful debts	796.90	689.52
Total	26,409.68	18,942.90

Payments to auditor

Particulars	(Amount in lakhs)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
As auditor :		
Audit fee	15.30	13.30
Tax audit fee	1.15	1.15
Limited Review	3.11	2.70
In other capacity :		
Other services (certification fees)	6.79	12.29
Reimbursement of expenses		
Total	26.35	29.44



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

(Amount in Lakhs)

Note 29:

Capital and other commitments

	As at March 31, 2023	As at March 31, 2022
a) Estimated amount of contracts remaining to be executed on capital account not provided for*	331.22	555.59
	<u>331.22</u>	<u>555.59</u>

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

Note 30:

Contingent liabilities

	As at March 31, 2023	As at March 31, 2022
a) Claims against the Company not acknowledged as debts : 19 legal cases (PY 25 legal cases)	202.98	258.37
	<u>202.98</u>	<u>258.37</u>
b) Bank Guarantees	44,225.00	30,025.00

Note 31:

Value of Imports calculated on CIF basis

	For the period ended March 31, 2023	For the year ended March 31, 2022
Capital expenditure for Software licenses	-	8.55
	<u>-</u>	<u>8.55</u>

Note 32:

Expenditures in foreign currency (accrual basis)

	For the period ended March 31, 2023	For the year ended March 31, 2022
Membership and Subscription	27.61	182.86
	<u>27.61</u>	<u>182.86</u>

Note 33:

Earnings in foreign currency (accrual basis)

	For the period ended March 31, 2023	For the year ended March 31, 2022
Research Income	0.07	0.57
	<u>0.07</u>	<u>0.57</u>



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

Note 34:

a) Gratuity

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

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

A: Amount recognized in Balance Sheet:

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

	March 31, 2023	March 31, 2022
Present value of funded defined benefit obligation	848.98	708.97
Fair value of plan assets	533.15	597.64
Net funded obligation	315.83	111.33
Present value of unfunded defined benefit obligation	-	-
Amount not recognized due to asset limit	-	-
Net defined benefit liability / (asset) recognized in balance sheet	315.83	111.33
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	-	-
Non-Current	315.83	111.33

B: Movement in Plan Assets :

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

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

	March 31, 2023	March 31, 2022
Opening fair value of plan assets	597.64	536.53
Employer contributions	-	107.06
Interest on plan assets	41.02	35.17
Administration expenses	-	-
Remeasurements due to:		
<i>Actual return on plan assets less interest on plan assets</i>	0.74	13.11
Benefits Paid	(106.25)	(94.23)
Assets acquired / (settled)	-	-
Assets distributed on settlements	-	-
Closing fair value of plan assets	533.15	597.64

C: Disaggregation of Plan Assets

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

	March 31, 2023	March 31, 2022
Property	-	-
Government Debt Instruments	-	-
Other Debt Instruments	-	-
Equity Instruments	-	-
Insurer Managed Funds (Unquoted values)	533.15	597.64
Others	-	-
Grand Total	533.15	597.64



D: Reconciliation of net liability / asset:

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

	March 31, 2023	March 31, 2022
Opening net defined benefit liability / (asset)	111.32	51.24
Expense charged to profit & loss account	208.62	154.59
Amount recognized outside profit & loss account	(4.12)	12.55
Employer Contributions	-	(107.06)
Impact of liability assumed or (settled)	-	-
Closing net defined benefit liability / (asset)	315.82	111.32

Movement in benefit Obligations:

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

	March 31, 2023	March 31, 2022
Opening of defined benefit obligation	708.97	587.77
Current Service Cost	213.63	162.33
Past Service Cost	-	-
Interest on defined benefit obligation	36.01	27.43
Remeasurements due to :	-	-
Actuarial loss / (gain) arising from change in financial assumptions	(59.17)	(13.47)
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	55.79	39.14
Actuarial (gains) / losses on obligation	-	-
Benefits paid	(106.25)	(94.23)
Liabilities assumed / (settled) (On account of business combination or inter group)	-	-
Liabilities extinguished on settlements	-	-
Closing of defined benefit obligation	848.98	708.97

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

	March 31, 2023	March 31, 2022
Current service cost	213.62	162.33
Past service cost	-	-
Administration expenses	-	-
Interest on net defined benefit liability / (asset)	(5.00)	(7.74)
(Gains) / losses on settlement	-	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	-	-
Expense charged to profit & loss account	208.62	154.59

Amount Recorded in Other Comprehensive Income:

	March 31, 2023	March 31, 2022
Opening amount recognized in OCI	29.87	17.32
Remeasurements during the period due to	-	-
Changes in financial assumptions	(59.17)	(13.47)
Changes in demographic assumptions	-	-
Experience Adjustments	55.79	39.14
Actual return on plan assets less interest on plan assets	(0.74)	(13.11)
Adjustment to recognize the effect of asset ceiling	-	-
Amount recognized in Other Comprehensive Income before tax	25.75	29.88

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

	March 31, 2023	March 31, 2022
Discount rate (p.a.)	7.30% p.a	5.65% p.a
Expected rate of return on assets	-	-
Employee turnover	-	-
Salary escalation rate (p.a.)	8.00% p.a	8.00% p.a

	March 31, 2023	March 31, 2022
Information considered for the actuarial valuation in respect of active serving members	No. of employees 7,959	No. of employees 6,970



Note 35:**Leave encashment**

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

	March 31, 2023	March 31, 2022
Discount rate	7.30% p.a.	5.65% p.a.
Increase in compensation cost	8.00% p.a	8.00% p.a

Payments to and provision for employees includes Rs. 19.85 Lakhs (P.Y. March 31, 2022: 39.64 Lakhs) towards provision made as per Actuarial Valuation in respect of accumulated leave encashment debited to the Statement of Profit and Loss. Total Liability as per Actuarial Valuation and as reflected in Company's Accounts is Rs. 499.79 Lakhs (P.Y. March 31, 2022: Rs. 479.93 Lakhs). The Company has not funded the liability.

Note 36:**Segmental Information**

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

Description of segment and principal activities

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by

Business Segment	Segment Comprises of
Retail Broking	Broking and other related activities, Distribution of third party products like Mutual Fund,
Distribution Services	Asset Sales
All other segments	All other segments which are not reportable segment as per Ind AS 108

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

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

(In Lakhs)

Particulars	As at/ Year ended	
	March 31, 2023	March 31, 2022
Segment Revenue		
(i) Retail Broking	50,629.26	39,065.28
(ii) Distribution Services	64,475.61	38,225.92
(iii) All other segments	5,208.99	5,679.21
(iv) Unallocated	6.50	-
Total	120,320.36	82,970.42
Less: Inter Segment Revenue	-	-
Income from Operations	120,320.36	82,970.42
Segment Result(PBT)		
(i) Retail Broking	16,240.66	15,992.08
(ii) Distribution Services	22,111.06	12,746.08
(iii) All other segments	2,810.13	2,463.76
(iv) Unallocated	-	-
Total	41,161.85	31,201.92
Net Profit Before Tax	41,161.85	31,201.92
Segment Assets		
(i) Retail Broking	125,718.39	111,479.89
(ii) Distribution Services	62,105.80	65,842.80
(iii) All other segments	3,174.63	7,142.62
(iv) Unallocated	2,381.17	2,271.45
Total Assets	193,379.99	186,736.76
Segment Liability		
(i) Retail Broking	64,904.47	98,507.66
(ii) Distribution Services	6,072.65	7,341.33
(iii) All other segments	3,195.60	895.50
(iv) Unallocated	119,207.27	79,992.27
Total Liability	193,379.99	186,736.76



Note 37:
Related parties disclosures as per IND AS-24, as identified by the Company and relied upon by the Auditors.

Names of related parties and related party relationships

Name of related parties where control exists:	Relationship
Name of the Party	Ultimate Holding Company
State Bank of India	Holding Company
SBI Capital Markets Limited	
Name of the Party	Relationship
SBI Life Insurance Company Limited	Fellow Subsidiary
SBI Mutual Funds	Fellow Subsidiary
SBI DPHI Ltd.	Fellow Subsidiary
SBI Fund Management Pvt. Ltd.	Fellow Subsidiary
SBI Global Factors Ltd.	Fellow Subsidiary
SBI General Insurance Company Limited	Fellow Subsidiary
SBI Foundation	Fellow Subsidiary
SBI Ventures Limited	Fellow Subsidiary
SBI Cards and Payments Services	Fellow Subsidiary
SBI CAP Trustee Company Ltd.	Fellow Subsidiary
SBI MF Trustee Company Pvt Ltd	Fellow Subsidiary
SBI Infra Management Solutions Pvt Ltd	Fellow Subsidiary

Key Management Personnel

Name of the Party	Relationship
Mr. Deepak Kumar Lalla (From 24/06/2022)	Managing Director and CEO
Mr. Naresh Yadav-Upto 12-08-2022	Managing Director
Mr. Subhanta Kumar Das (From -24/06/2022)	Whole time Director and CFO
Mr. Manish Singhal upto 24-06-2022	Chief Financial Officer
Mrs. Dhanashri Kenkre	Company Secretary
Shri. Bharat Rao	Nominee Director
Shri. Swaminathan Janakiraman	Nominee Director
Shri. Anand Chatterjee	Nominee Director
Shri. Bhausaheb Manojkumar	Nominee Director
Shri. Sharda Sharma	Independent Director
Shri D. P. Singh	Director
Shri Arun Mehra (upto FY 2022)	Director
Shri Ashwini Kumar Tewari (upto FY 2022)	Nominee Director
Shri Rama Brahmandam (upto FY 2022)	Nominee Director
Shri. Vaidyanath B. Gullar	Independent Director

Related parties defined as per Ind AS 24 "Related Party Disclosures" have been identified on the basis of representation made by the management and information available with the Company.

37. Related parties disclosures (Contd.)

Details of transactions during the year

Name of related party	Year ended	Transactions during the year ended										Income during the year ended					Other transactions during the year					
		Employee cost	Rent & Maint. Exp	Brokerage paid for selling and distribution	Referral Fees	Bank Charges	Interest on Short Term Borrowings	Bank Guarantee Commission	Corporate Social Responsibility Expenses	Royalty Expenses	Other expenses	Investment made in Equity Shares	Selling and distribution commission (PDC) and bonds	Brokerage (stock lending)	Research Income	Commission Income (Home and Auto Loan)	Interest Income	Interest from Gratuity fund	Other income	Share application money and issue of shares	Contribution to Gratuity fund	Benefit paid from Gratuity fund
Ultimate holding company State Bank of India	March 31, 2023	-	-	81.94	340.05	17.24	740.78	-	-	-	-	-	-	42.18	-	62,862.54	1,365.55	-	6,008.00	-	-	-
	March 31, 2022	316.65	-	10.42	299.33	1.66	680.99	-	-	-	-	-	-	53.11	-	27,014.11	285.93	-	4,793.57	-	-	-
Holding company SBI Capital Markets Limited	March 31, 2023	-	697.40	-	-	-	-	-	-	0.88	-	-	-	-	-	-	-	-	12.78	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fellow subsidiaries SBI Life Insurance	March 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.24	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI DPHI Ltd.	March 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-	145.09	-	-	-	41.28	45.17	-	-	206.25
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	127.05	-	-	-	48.39	1.72	-	-	94.13
SBI Mutual Funds	March 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-	0.90	-	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	35.85	-	-	-	-	-	-	-	-
SBI General Insurance Company Ltd.	March 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-	54.83	-	-	-	218.28	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SBI Fund Management Pvt. Ltd.	March 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-	0.83	-	-	-	480.14	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-	-	5.13	-	-	-	120.51	-	-	-	-
	March 31, 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12.79	-	-	-	-

Notes to financial statement for the year ended March 31, 2023

SBI CAP Securities Limited



Refer to accompanying notes and schedules

Name of related party	Year ended	Balance receivable in KSh					Balance payable in KSh					
		Interest accrued	Selling and distribution receivable	Trade receivable	Bank balances	Fixed Deposits	Investment in Equity Shares	Gratuity fund	Other Payables	Other liability	Selling and distribution payable	Short Term Borrowings
Ultimate holding company	March 31, 2023	21,581	-	37,698,343	37,481,797	34,037,050	-	-	-	526,135	-	18,513,322
	March 31, 2022	8,111	-	34,623,533	37,885,777	25,202,000	-	-	-	427,738	-	25,420,000
Holding companies	March 31, 2023	-	83,097	-	-	-	-	-	-	-	-	-
	March 31, 2022	-	83,097	-	-	-	-	-	-	1,041	-	-
Subsidiaries	March 31, 2023	-	21,061	-	-	-	-	533,125	-	3,104	-	-
	March 31, 2022	-	21,061	-	-	-	-	927,648	-	3,104	-	-
SBI General Insurance Company Ltd.	March 31, 2023	-	6,093	-	-	-	-	-	-	-	-	-
	March 31, 2022	-	4,431	-	-	-	-	-	-	-	-	-
SBI Fund Management Pvt. Ltd.	March 31, 2023	-	20,796	-	-	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
SBI Mutual Fund	March 31, 2023	-	-	-	-	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
SBI Foundation	March 31, 2023	-	-	-	-	-	0.10	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	0.10	-	-	-	-	-
SBI ZAP Trustee Company Ltd.	March 31, 2023	-	-	8,903	-	-	-	-	-	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-
SBI Car and Equipment services	March 31, 2023	-	-	-	-	-	-	-	7,382	-	-	-
	March 31, 2022	-	-	-	-	-	-	-	-	-	-	-



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

(Amount in lakhs)

Particulars	As on 31st March 2023	As on 31st March 2022
Profit/(Loss) before income tax expense	41,161.85	31,201.90
Tax at applicable tax rate ~ 25.17%	10,360.44	7,853.52
Tax effects of amounts which are not deductible (taxable) in calculating taxable income		
Add: Tax impact on non deductible items	980.06	647.75
Less: Tax impact on Deductible items	573.30	557.85
Add: Others	-17.20	6.58
Current tax	10,750.00	7,950.00
Effective Tax rate	26.12	25.48
Recognition of deferred tax (income)/expenses on account of following:		
Property, Plant and Equipment : (Depreciation)	-62.29	30.36
Provision for doubtful debts	-118.23	-77.88
Provision for PLVP	-155.46	23.30
Provision for Arbitration deposit	0.03	0.03
Provision for Gratuity	-51.47	-15.13
Provision for other employee benefits and tax impact of OCI	-6.04	-36.90
Income Tax Expenses	-393.46	-76.21
Total Tax expense	10,356.54	7,873.78



SBI CAP SECURITIES LIMITED**39: Notes to Financial Statements for the year ended March 31, 2023****Financial risk management objectives and policies**

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

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

a. Credit risk

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

Maturities of financial liabilities

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

(Amount in lakhs)

Contractual maturities of financial liabilities as at March 31, 2023	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	46,539.36	-	-	-
Trade and Other Payables	19,527.07	19,527.07	-	-
Other Financial Liabilities	11,192.48	11,188.18	4.30	-
Total	77,258.91	30,715.25	4.30	-

* Borrowing of the Company includes Overdraft facility. Hence there is no contractual maturity for the same for period ended March 31, 2023 and March 2022 also.

Contractual maturities of financial liabilities as at March 31, 2022	Total Carrying Value	On due within 1 year	Over 1 year Within 3 years	Over 3 year Within 5 years
Borrowings	73,218.19	29,798.11	-	-
Trade and Other Payables	20,835.71	20,835.71	-	-
Other Financial Liabilities	7,061.27	7,044.94	16.33	-
Total	101,115.17	57,678.76	16.33	-

c. Market risk

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



SBI CAP SECURITIES LIMITED

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

d. Foreign exchange risk

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

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

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Foreign Currency (in single units)	INR (in lakhs)	Foreign Currency (in single units)	INR (in lakhs)
Foreign Currency Exposures (USD)	5,747	4.72	5,747	4.36
Foreign Currency Exposures (SGD)				
Foreign Currency Exposures (GBP)				
Total		4.72		4.36

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

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

Particulars	Impact on Profit	
	As at 31.03.2023	As at 31.03.2022
USD Sensitivity		
INR / USD – Increase by 10%	(0.47)	(0.44)
INR / USD – Decrease by 10%	0.47	0.44
GBP Sensitivity		
INR /SGD/ GBP – Increase by 10%		
INR /SGD/ GBP– Decrease by 10%		

Interest rate risk

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

(i) Interest rate risk exposure

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

Variable rate borrowings

Particulars	As at Sum of March 31, 2023		As at March 31, 2022	
	Balance O/s.	Weighted Average Interest Rate	Balance O/s.	Weighted Average Interest Rate
Overdraft Facility and CP	46,539.36	6.65%	73,218.19	5.26%
Term Loan				
Total	46,539	6.65%	73,218	5.26%

(ii) Sensitivity

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

Particulars	Impact on profit after tax	
	For the year ended of March 31, 2023	For the year ended March 31, 2022
Interest rates – increase by 10%	(309.30)	(385.13)
Interest rates – decrease by 10%	309.30	385.13



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

a. Details of Credit Rating :

Instrument Category

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

During the period ended March 31, 2023, the Company issued Commercial paper amounting to Rs.900 crores, previous year Rs 300 Crores. Rating agencies CRISIL and ICRA have assigned a rating of CRISIL A1+ and ICRA A1+ respectively, for Rs.1,000 crores Commercial paper programme of the company.

b. Key Financial Information

Particulars	For the year ended 31-Mar-23	For the year ended 31-Mar-22	% Change	Reason for variance above 25%
Debt Equity Ratio * (in Times)	0.44	0.93	-53%	Decreased due to reduction in O/s balance of Commercial paper issued during the year. Balance o/s at current year end is Nil
Debt Service Coverage Ratio ** (in Times)	0.73	0.35	106%	Change is due to reduction in outstanding balance of debt securities as on March 31, 2023
Interest Services Coverage Ratio *** (in Times)	9.39	22.86	-59%	As the finance cost was lower in previous year as compared to current financial year which is increased by approx 242% and also the profits for current year are higher as compared to last financial year
Net Worth **** (in Lakhs)	108,372	79,992		
Net Profit after tax (in Lakhs)	30,804	23,301		
Earnings per share (Diluted) (Face Value ' 10/- per share)	31.80	24.05	32%	Increased in proportion to increase in profits of the company during current financial year
Current Ratio	2.24	1.71	31%	Decreased due to reduction in Debt as compared to last financial year
Return on Equity Ratio	32.71%	34.09%	-4%	
Return on average Capital Employed	29.15%	21.13%	38%	Increased due to reduction in debt to total return
Inventory Turnover Ratio	Not applicable	Not applicable		
Long term debt to Working Capital	Not applicable	Not applicable		
Bad debt to Account Receivables	0.004	0.010	Not material	Not material
Current Liability	0.98	0.99	-1%	
Total Debt to total asset	0.25	0.40	-38%	Decreased due to reduction in O/s balance of Commercial paper issued during the year. Balance o/s at current year end is Nil
Debtors Turnover	1.28	1.84	-30%	
Operating Margin	34.21%	37.61%	-9%	
Net Profit Margin	25.60%	28.08%	-9%	
Asset cover available, in case of non-convertible debt securities	Not applicable	Not applicable		
Outstanding redeemable preference shares	Not applicable	Not applicable		
Capital redemption / Debenture redemption reserve	Not applicable	Not applicable		

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

** Debt Service Coverage Ratio = Profit after tax + Non cash + Interest expense / (Interest expenses + Principal Repayments+ Lease Liability)

*** Interest Service Coverage Ratio = Profit after tax + Non cash + Interest expense / (Interest expenses)

**** Net Worth = Equity + Other Equity

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

Commercial Papers - Date of Issue	Redemption amount (Rs. in crores)	Previous due date	Whether paid or not	Due date
28/01/2022	100		NA Paid	28/04/2022
10/3/2022	200		NA Paid	9/6/2022
27/04/2022	100		NA Paid	27/7/2022
14/06/2022	100		NA Paid	13/9/2022
25/08/2022	200		NA Paid	23/11/2022
28/09/2022	200		NA Paid	28/12/2022
30/09/2022	100		NA Paid	12/12/2022
27/12/2022	200		NA Paid	15/03/2023

* No outstanding commercial paper as on March 31, 2023



SBICAP Securities Limited
Notes forming part of financial statements for the year ended March 31, 2023

(Amount in lakhs)

Note 41:
Leases

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

Particular	As at March 31, 2023	As at March 31, 2022
Right of use asset (Net of Depreciation)	895.41	1,034.95
Lease Liability	951.62	1,119.21
Depreciation on ROU	682.63	628.36
Interest on Lease liability	97.58	105.91

Note 42:
Earnings per share (EPS)

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

	As at March 31, 2023	As at March 31, 2022
Net profit / (loss) for calculation of basic EPS and diluted EPS (In Lakhs)	30,804.28	23,301.20
Weighted average number of equity shares in calculating basic and diluted EPS	96,875,000	96,875,000
Earnings per share	31.80	24.05

Note 43:

Distributions made and proposed	As at March 31, 2023	As at March 31, 2022
Dividend on Equity shares declared and paid		
Interim dividend for 31st March 2023 (Rs 2.50 per share)	2421.88	0
Proposed Dividend on Equity shares	0	0

Note 44:

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

Employee Name	Designation	As at March 31, 2023	As at March 31, 2022
Deepak Kumar Lalla	Managing Director & CEO From 13-06-2022	65.35	-
Naresh Yadav	Managing Director & CEO Upto 12-08-2022	36.59	73.77
Sushanta Kumar Das	Chief Financial Officer From 24-06-2022	41.91	-
Manish Singhal	Chief Financial Officer Upto 24-06-2022	31.10	68.14
Yadunandan R A	Vice President IT	41.71	40.44
Thirumalai Munusamy	Vice President-Accounts and Admin Upto 06.07.2021		26.84
Total		216.65	209.19

Note 45:

Additional regulatory information in accordance with Schedule III of the Companies Act 2013

(a) Title deeds of immovable properties not held in name of the company
The Company does not hold any immovable properties in its name.

(b) Valuation of PP&E and Intangible Assets:
The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

(c) Loans or Advances in the nature of Loans granted to Promoters, Directors, Key Managerial Personnel and Related Parties
The Company has not provided or given Loans or Advances in the nature of Loans granted to Promoters, Directors, Key Managerial Personnel and Related Parties either severally or jointly with any other person.

(d) Details of benami property held:
The Company does not own any immovable property and neither any benami property is held with the company.

(e) Borrowing secured against current assets:
The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts of the Company.



(f) Willful defaulter:

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(g) Relationship with struck off companies:

The Company has no transactions with the companies struck off under the Act or Companies Act, 2013.

(h) Registration of charges or satisfaction with Registrar of Companies:

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(i) Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under the Act.

j) Financial Ratios- Please refer Note 40

(k) Compliance with approved scheme(s) of arrangements:

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(l) Utilisation of borrowed funds and share premium:

(a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(m) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(n) Details of crypto currency or virtual currency:

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

Note 46: Corporate Social Responsibility (CSR)

a) The gross amount required to be spent by the Company during the year ended March 31, 2023 is Rs. 470.94 lakhs (Previous Year : Rs.325.60 lakhs)

b) Amount spent during the year (covered under schedule VII of the Companies Act, 2013):

Particulars	FY 22-23			FY 21-22		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Construction /acquisition of any asset	-	-	-	-	-	-
On purpose other than (i) above	471.42	-	471.42	328.46	-	328.46

Nature of Activities

Promoting health care, Education, Gender equality, Empowering women, measures for the benefit of armed forces etc.

Note 47: Code on Social Security

The code on social security 2020 (Code) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The code has been published in the Gazette of India. However, till date on which code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The company will assess the impact of the Code when it comes into effect and will record any impact in the period code becomes effective.

Note 48:

Previous year figures

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

As per our report of even date attached

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

CA Raman Hangekar

Partner

Membership No.: 030615



Mumbai
April 18, 2023

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

Deepak Kumar Laha
Managing Director & CEO

Sushanta Kumar Das
Whole time Director & CFO

Mumbai
April 18, 2023

Dhanashri Kenkre
Company Secretary

