



Sbicap Ventures Ltd.

Directors' Report

To,
The Members,
SBICAP Ventures Limited,

Your Directors have pleasure in presenting the 15th Annual Report and the Audited Financial Statements of SBICAP Ventures Limited for the financial year ended 31st March 2020.

1. Financial Results

The Company's financial Performance for the year ended 31st March 2020 is summarized below:

(Amount Rs in Lakhs)

Particulars	31.03.2020	31.03.2019
Income from Operations	2545	911
Other Income	36	1
Total revenue	2581	912
Expenditure	1106	821
Profit / (loss) before Depreciation and Finance cost	1475	91
Exceptional item and tax expenses		
Less: Finance cost	0.0	0.0
Less: Depreciation	12	14
Profit / (loss) before Exceptional items and taxation	1463	77
Less: Exceptional items	0.0	0.0
Profit / loss before tax	1463	77
Less: Current year tax	362	15
Tax of earlier years	0.0	0.0
Net Profit / (Loss) for the year	1101	62
Other comprehensive income/(loss)	(8)	0.0
Total comprehensive income net of tax	1093	62

2. Operations of the Company

i) Neev Fund:

SBICAP Ventures Limited (SVL) is currently managing SEBI registered Category I AIF focused on infrastructure investments in eight identified Low Income States (“LIS”) in India. The Neev Fund (Corpus of Rs.504 Cr) has been set up in partnership with the Govt of UK and also has the SBI Group and SIDBI as investors. The Fund has a portfolio of 10 investments and been fully invested. The mandate of the Neev Fund was to create significant impact in the identified low-income states of India in addition to making commercial returns on its investments. The Fund has invested in companies across renewable energy, agri supply chain & agri-logistics, healthcare, education, and waste management and is currently in asset management mode.

ii) SWAMIH Investment Fund I

On November 06, 2019, the Honourable Finance Minister announced that the Union Cabinet has cleared a proposal to set up a ‘Special Window’ in the form of AIF to provide priority debt financing for the completion of stalled housing projects.

Special Window for Affordable and Mid-income Housing (SWAMIH) Investment Fund I has been formed to complete construction of stalled, brownfield, RERA registered residential developments that are in the affordable housing / mid-income category, are net worth positive and requires last mile funding to complete construction.

The Sponsor of the Fund is the Secretary, Department of Economic Affairs, Ministry of Finance, Government of India on behalf of the Government of India. The Government of India has committed a fund infusion of up to INR 10,000 crores in the Special Window and further investments will be brought in through institutional and private investors. The Fund has a target corpus of INR 12,500cr with a greenshoe option of INR 12,500cr. The Fund achieved a first closing with 14 investors and a capital commitment of Rs. 10,037.5cr on December 06, 2019.

The Investment Manager of the Fund is SBICAP Ventures Ltd., an asset management company that is a Wholly Owned Subsidiary of SBI Capital Markets Ltd, which in turn is a wholly owned subsidiary of the State Bank of India.



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iii) SVL-SME Fund

The Company is also the Investment Manager to SVL- SME Fund (Neev Fund II) which was registered with SEBI as a category II AIF with a target corpus of Rs.450 Cr to replicate the Neev Fund mandate in the SME space across a broader spectrum of industries across India. The Fund expects to invest in SME businesses with focus on climate & environment, sustainability, and social impact sectors across the country. The Fund is expected to have its initial close with marquee global institutional investors in Financial year 2020-2021.

3. Dividend

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

4. Transfer to Reserves

The Board of Directors of the company has decided not to transfer any amount to the reserve for the year under the review. The entire amount of profits is retained in the profit and loss account.

5. Deposits

The Company has not invited, accepted or renewed any deposits with the meaning of Section 73 to 76 of the Companies Act, 2013. Accordingly, the requirements to furnish details relating to deposits covered under Chapter V of the Companies Act, 2013 does not arise.

6. Material events occurred after the end of the financial year up to the date of Board report.

The global economy has been impacted by Covid 19 and the Indian economy is also facing challenges that have arisen due to the virus issue. The company's business continuity systems have ensured that operations of the Company did not get affected in any material manner. The Company maintains a sizeable commitment from funds. There are no other material changes and commitments between the end of the Financial Year and the date of the report

7. Share Capital

The paid-up Share Capital of the Company as on 31st March 2020 is Rs.60,37,79,170. During the year under review, the Company has made rights issue and allotted 1,04,00,000 equity share of face value Rs. 10 each to its Holding company in its share allotment Committee meeting held on 29th August 2019.



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8. Particulars of Holding, Subsidiary & Associate Company

SBI Capital Markets Limited along with its nominees holds 100% Equity Share Capital of the Company. Further, the Company does not have any Subsidiary, Associate or Joint Venture Company.

9. Composition of Board of Directors and Key Managerial Personnel of the Company

The Composition of Board of Directors and Key Managerial Personnel of the Company as on date of the report is as under:

Sr. No.	Name of the Directors and KMP	Designation	DIN/PAN	Date of Appointment
1	Shri. Dinesh Kumar Khara	Nominee Director	06737041	09/09/2016
2	Shri Arun Mehta	Nominee Director & Chairman	08368448	05/03/2019
3	Shri Mohan Harshey	Independent Director	00987969	25/09/2019
4	Shri R Viswanathan	Nominee Director	08289691	23/06/2020
5	Shri Naresh Yadav	Additional Non-Executive Director	08590165	28/03/2020
6	Shri Suresh Kozhikote	MD &CEO	08183787	01/06/2020
7	Ms. Ankita Shrivastav	Company Secretary	CIIPS0741N	19/07/2018
8	Ms. Kirti Saruparia	Chief Financial Officer	BSHPS6309A	13/08/2018

10. Appointment and Cessation of Directors and Key Managerial Personnel of the Company.

(a) During the period under the review following Directors were appointed on the Board of Directors of the Company as on the date of report.

Name of the Director	DIN	Designation	Date of Appointment
Shri Arun Mehta	08674360	Nominee Director & Chairman	21/01/2020
Shri Mohan Harshey	00987969	Independent Director	25/09/2019
Shri Naresh Yadav	08590165	Additional Non -Executive Director	28/03/2020
Shri R Viswanathan	08289691	Nominee Director	23/06/2020
Shri Suresh Kozhikote	08183787	Managing Director & CEO	01/06/2020

The Company has received the Notice under Section 160 of the Companies Act, 2013 from SBI Capital Markets Limited proposing the candidature of Shri Naresh Yadav as a Director of the Company. The Board of Directors further recommends the appointment of Shri Suresh Kozhikote as Managing Director & Chief Executive Officer and appointment of Shri Naresh Yadav as Director of the Company to be confirmed in the ensuing Annual General Meeting.

(b) During the period under the review following ceased to be Director on the Board of Directors of the Company as on the date of the report.

Name of the Director	DIN	Designation	Date of Cessation
Ms. Divya Malhotra	00006494	Independent Director	09/09/2019
Shri Mohan Harshey	00987969	Independent Director	09/09/2019
Shri Harish Pattnaik	02764171	Non-Executive Director	25/09/2019
Shri Sanjiv Chadha	08368448	Nominee Director	20/01/2020



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Shri Rajasekhar Raghavan	08116907	Nominee Director	11/03/2020
Smt. Uma Shanmukhi Sistla	08165959	Director	22/05/2020
Shri Mahendra Kumar Sharma	08250736	WTD & CEO	12/06/2020

The Board of Directors places on record its appreciation to Shri Sanjiv Chadha, Chairman & Nominee Director Smt. Uma Shanmukhi Sistla as Director, Shri Rajasekhar Raghavan, Nominee Director, Ms. Divya Malhotra, Independent Director and Shri Mahendra Kumar Sharma ,WTD&CEO for their contributions and inputs made during their tenure on the Board and extends a hearty welcome to Shri Arun Mehta as Chairman & Nominee Director, Shri R Viswanathan as Nominee Director, Shri Naresh Yadav Non Executive Additional Director and Shri Suresh Kozhikote as Managing Director & Chief Executive Officer of the Company.

As per the declarations submitted to the Company, none of the directors are disqualified under Section 164 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014.

11. Declaration of Independence

Shri Mohan Harshey, Independent Director confirmed the Compliance with the provisions of Section 149(6) of the Companies Act, 2013 for the financial year 2019-2020.

12. Subsequent to the financial year end, the following changes took place in the Company.

- i) Shri Mahendra Kumar Sharma, resigned as WTD&CEO and Key Managerial Personnel of the Company (KMP) of the Company with effect from 12th June 2020.
- ii) Shri Suresh Kozhikote was appointed as Managing Director & CEO and Key Managerial Personnel of the Company with effect from 1st June 2020.
- iii) Smt. Uma Shanmukhi Sistla, resigned as Director of the Company with effect from 22nd May 2020.
- iv) Shri R Viswanathan was appointed as Nominee Director of the Company with effect from 23rd June 2020.

13. Directors retiring by rotation

The Board of Directors of your company comprises of One Independent Directors, Four Nominee Directors, One Additional Non-Executive Director and MD &CEO.

Pursuant to Sections 149(13) and 152 of the Companies Act, 2013 Independent Directors appointed under the Act are not liable to retire by rotation.

In accordance with other applicable provisions of the Companies Act 2013, Nominee Directors and as per terms of the appointment MD&CEO are not counted for determining the number of Directors liable to retire by rotation. Accordingly, none of the Directors are liable to retire by rotation.

14. Committees of the Board

Your Company has several committees which have been established as a part of the best corporate governance practices. The Company has the following Committees of the Board:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Share Allotment Committee
- iv) Corporate Social responsibility Committee

i) Audit Committee:

The Composition of the Audit Committee as on date of the reports and terms of reference are as follows:

Sr. No.	Name of the Committee Members	Designation
1.	Shri Mohan Harshey	Chairman
2.	Shri Suresh Kozhikote	Member
3.	Shri Naresh Yadav	Member



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The Audit committee met 7 times i.e. on 16th April 2019, 4th June,2019, 16th July 2019, 25th September 2019, 07th October 2019, 7th November 2019, and 9th January 2020.

Terms of Reference of the Audit Committee of Board of the Company.

- Recommend the appointment, remuneration and terms of appointment of the auditors of the Company,
- Review and monitor the auditor's independence and performance and effectiveness of audit process,
- Examine the financial statements and auditor's report thereon,
- Approve transactions of the Company with related parties and any subsequent modifications therein,
- Scrutinise inter-corporate loans and investments,
- Verify valuation of undertakings or assets of the Company, wherever it is necessary,
- Evaluate internal financial controls and risk management systems,
- Monitor the end use of funds raised through public offers and related matters,
- Call for the comments of the auditors about internal control systems,
- Discuss with the auditors before the audit commences about the nature and scope of audit, including the post audit discussion on observations of the auditors to ascertain any area of concern,
- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Review with the management, the annual financial statements before submission to the Board for approval, with particular reference to: -
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.



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- c. Major accounting entries involving estimates on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of all related party transactions.
 - g. Qualifications in the draft audit report.
- Discuss any issues related to the financial statements with the internal and statutory auditors and the management of the Company,
 - Review with the management, the quarterly financial statements before submission to the Board for approval.
 - Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - Review the adequacy of inspection and audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - Discuss with the internal auditors of any significant findings and follow-up thereon.
 - Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Look into the reasons for substantial defaults in the payment to the depositors, debentures holders, shareholders (in case of non-payments of declared dividends) and creditors.
 - Review the functioning of the Whistle Blower Mechanism and oversee the Vigil Mechanism.
 - Focus on Follow-up of Inter Branch/RO adjustment accounts, unreconciled long outstanding entries, arrears in balancing books at branches/ROs, frauds and all major areas of housekeeping
 - Approve any payment to Statutory Auditors for any other service rendered by the Statutory Auditors.



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Mandatory review of the following information: -

- Management discussion and analysis of financial condition and result of operations.
- Statement of significant related party transactions (as defined by the audit committee) submitted by management.
- Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
- Internal Audit Reports relating to internal control weaknesses.

The Audit Committee shall have the powers and authority to: -

- Investigate any activity within its terms of reference, or referred to it by the Board
- Obtain legal or professional advice from external sources
- Have full access to information contained in the records of the Company
- Seek information from any employee
- Secure attendance of outside experts, if it considers necessary.

Recommendation of Audit Committee

During the year under review, the various recommendations made by the Audit Committee from time to time were accepted by the Board of Directors.

ii) Nomination and Remuneration Committee:

The Composition of the Nomination and Remuneration Committee as on the date of the report and terms of reference are as follows:

Sr. No.	Name of the Committee Members	Designation
1.	Shri. Dinesh Kumar Khara	Chairman
2.	Shri Arun Mehta	Member
3.	Shri Mohan Harshey	Member
4.	Shri Naresh Yadav	Member



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The Nomination and Remuneration Committee met four times in the year i.e. on 16th April 2019, 25th September 2019, 31st October 2019, and 13th January 2020.

Terms of Reference of Nomination and Remuneration Committee

1. To take note of
 - i) persons who have been appointed as Directors and
 - ii) appointed in senior management personnel and recommend to the Board their appointment and removal,
2. Carry out evaluation of every Director on yearly basis
3. To take note of the remuneration Policy formulated which ensure:
 - a. Remuneration to Key Managerial Personnel and senior management shall have a balance between fixed, variable pay and long-term incentive.
 - b. relationship of remuneration to performance is market related and competent to meet appropriate performance benchmarks, and
4. Recommend to the Board, the remuneration for the Directors, Key Managerial Personnel and other employees.

Nomination and Remuneration Policy

The Nomination and Remuneration Policy as approved by the Board of Directors at its meeting held on, 25th September 2019 forms part of this report and attached as 'Annexure I' to the Director Report has also placed on the website of the Company and can be accessed at weblink https://www.sbicapventureslimited/NRC_policy

iii) Share Allotment Committee

The Composition of the Share Allotment Committee of the as on the date of reports:

Sr. No.	Name of the Committee Members	Designation
1.	Shri R Viswanathan	Chairman
2.	Shri Naresh Yadav	Member
3.	Shri Suresh Kozhikote	Member

The Share Allotment Committee met one time on 29th August 2019.

Terms of Reference:

- i) To allot the shares and securities of the company, including the letters of allotment, from time to time, based on the terms and conditions as set out by the Board of Directors and Shareholders in their respective Meetings and the provisions of the Companies Act, 2013 read with the Rules, Regulations, Notifications and Circular.
- ii) To consider and approve the offer letter for right issue and period for opening and closure of offer period
- iii) To consider, discuss and settle all matters relating to the issue and allotment of shares and securities of the company within the provisions of the Act.
- iv) The Committee shall, at regular intervals, or as sought by the Board provide a summary of the allotments to the Board of Directors of the Company



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iv) Corporate Social Responsibility Committee

Pursuant to the provisions of the Companies Act 2013 the Board of Director has constituted Corporate Social Responsibility Committee of the Company through circular resolution and The Composition of the CSR Committee is as follows:

Sr. No.	Name of the Committee Members	Designation
1.	Shri R Viswanathan	Chairman
2.	Shri Naresh Yadav	Member
3.	Shri Suresh Kozhikote	Member

Terms of Reference:

- a. To formulate the CSR Policy for the Company, which shall indicate the activities to be undertaken by the Company as specified in Schedule VII, and recommend the CSR Policy for approval to the Board,
- b. To recommend the amount of expenditure to be incurred on the CSR activities,
- c. To monitor the CSR Policy of the Company from time to time.
- d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

15. Performance Evaluation of the Board and Board Committees

Pursuant to the provisions of the Companies Act 2013, the Board has carried out an annual evaluation of its own performance and that of its Committees and individual Directors. The performance of the Board and individual Director was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members.

The performance of individual Directors was reviewed. This was followed by a Board Meeting that discussed the performance of the Board, its Committees, and individual Directors.

The performance of the Independent Director was evaluated by the entire Board except the person being evaluated. The performance of the Committee was evaluated by the Board seeking inputs from the



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Committee Members. The Board carried out the evaluation of their own performance and that of its Committees and Individual Director keeping in mind the inputs received interalia from the review by the Independent Director.

The summary of the performance of the Board, its Committees, individual Directors and the Chairman was placed before the Nomination and Remuneration Committee at its meeting held on 10th June, 2020, for noting and recommending to the Board to take note of the same. The Board noted the summary of the performance of the Board and its Committees.

16. Secretarial Auditors and Secretarial Audit Report

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. D.A. Kamat & Co ., Practicing Company Secretaries as Secretarial Auditors to conduct the Secretarial Audit of the Company for the FY 2019-2020. The Company provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for the FY 2019-2020 is annexed to this report at **Annexure 'II'**

17. Statutory Auditors

M/s. Mahendra Kumbhat & Associates, Chartered Accountants FRN:105770W), were appointed as the Statutory Auditors of the Company for the financial year 2019-20 by the Comptroller & Auditor General of India (CAG), under the provisions of Section 139 (5) of the Companies Act 2013. They will hold office till the ensuing Annual General Meeting of the Company.

The company has received a letter dated No./CA.V/COY/CENTRAL GOVERNMENT,SBICVL(1) /26 Dated 10th August 2020 from the office of the Comptroller & Auditor General of India regarding the appointment of M/s. Mahendra Kumbhat & Associates, Chartered Accountants as Statutory Auditors of the Company for the financial year 2020-2021. The Company has received consent and eligibility letter from M/s. Mahendra Kumbhat & Associates for the said appointment.

18. Comments of the Comptroller & Auditor General of India (CAG):

Comments of the Comptroller & Auditor General of India as per report dated 7th July 2020, submitted under Section 143(6) read with section 129(4) of the Companies Act, 2013 on the Financial Statement of the Company for the year ended 31st March 2020 is enclosed. CAG has inter-alia advised as follows:

"I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statement of SBICAP Ventures Limited for the year ended 31st March 2020 under section 143 (6)(a) of the Act."

The CAG has not made any adverse comment in their report

19. EXPLANATIONS OR COMMENTS ON THE QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT

There is no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors appointed by Comptroller & Auditor General of India under applicable provisions of the Companies Act, 2013 in their report. Hence the need for explanations or comments by the Board does not arise. The report of the Statutory Auditors forms part of the financial statements.

20. Reporting of frauds by auditors

During the year under review, neither the statutory auditors nor the secretarial auditors has reported to the Audit Committee under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against SBICAP Ventures Limited by its officers or employees, the details of which would need to be mentioned in this Board's report.



21. Corporate Governance

a. Board Meetings

During the year under the review, 9 (Nine) Board Meetings were held the details of which is as under:

Sr. No.	Dates on which the Board Meetings were held	Total Strength of the Board	No. of Directors Present
1.	16 th April 2019	8	6
2.	4 th June 2019	8	6
3.	16 th July 2019	8	8
4.	25 th September 2019	6	6
5.	07 th October 2019	6	6
6	07 th November 2019	6	6
7	11 th December 2019	6	6
8	23 rd December 2019	6	6
9	13 th January 2020	6	6

Attendance of Directors at Board Meetings held during the financial year 2019-2020:

Sr. No.	Name of Director	Board Meetings held in Director's tenure	Attendance in Board Meeting
1	Shri Dinesh Kumar Khara, Nominee Director	9	9
2	# Shri Arun Mehta, Chairman & Nominee Director	0	0
3	Shri Sanjiv Chadha, resigned w.e.f. 20 th January 2020 as Nominee Director & Chairman	5	5
4	Smt. Uma Shanmukhi Sistla, Non -Executive Director	9	8
5	Dr Harish Pattnaik, Non -Executive Director retired w.e.f. 25 th September, 2019	4	3



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6	Shri Mohan Harshey, Independent Director	9	9
7	Ms. Divya Mehrotra, Independent Director retired w.e.f. 9 th September 2019	3	1
8	Shri Rajasekhar Raghavan, Nominee Director resigned w.e.f. 11 th March 2020	9	9
9	Shri Mahendra Kumar Sharma, WTD&CEO	9	9

#Shri Arun Mehta was appointed as Nominee Director & Chairman w.e.f. 21st January 2020.

22. Conservation of Energy and Technology Absorption

The Company is in financial services sector and is taking adequate and necessary steps to minimize the usage of energy to the extent possible. Being a company in the financial services sector technology absorption is not applicable to the Company.

23. Foreign Exchange Earnings and Outgo

During the year under review, the Company has neither earned nor expended any foreign exchange.

24. Particulars of Employees

In terms of Section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the statement containing particulars of employees as required is annexed as **Annexure -III** hereby and forms part of the Directors report.



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25. Extracts of Annual Return

Pursuant to the applicable provisions of the Companies Act 2013, and in accordance with Rule 12 sub-rule 1 of the Companies (Management and Administration) Amendment Rules, 2020 effective from 28th August 2020, annual return as referred in Section 92(3) of the Companies Act, 2013 has been placed on the website of the Company and can be accessed at weblink <https://www.sbicapventureslimited/Annualreturn.pdf>. Further, an extract of Annual Return for the financial year ended 31st March 2020 in Form MGT-9 is annexed as **Annexure 'IV'**.

26. Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013

During the year under review, the Company has not given any loan and not made any investments or given Guarantee on any loan, which fall under the preview of the provisions of Section 134 (g) of the Companies Act,2013.

27. Related Party Transaction

All related party transactions that were entered into during the financial year 2019-2020 were in the ordinary course of business and on an arm's length basis. The Particulars of contracts / arrangement entered into by the Company with the related parties, as prescribed in form No. AOC -2, is annexed to this report as **Annexure-V**.

28. Internal Control Systems and their Adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

29. Internal Auditor:

M/s. SMSR & Co. LLP Chartered Accountant carried out the internal Audit for the Financial year 2019-2020. Further the Board of Directors re-appointed M/s SMSR & Co. LLP, Chartered Accountant as Internal Auditor for the financial year 2020-2021.

30. Details of Corporate Social Responsibility initiatives

The net profit of the Company as of 31st March 2020 exceeds Rs. 5 Crores, pursuant to the provisions of the Companies Act, 2013, the Company has constituted the CSR Committee of the Company.

31. Disclosure of Vigil Mechanism

SBICAP Ventures has, in conformity to the Company's Policy to pursue and establish good corporate governance practices, formulated the 'Whistle Blower Policy' and the Policy on Fraud Risk Management. The Whistle Blower Policy provides a mechanism to the Directors and employees of the Company for reporting instances of unethical conduct, actual or suspected, fraud or violation of the Company's Code of conduct or law to the Chairman of Audit Committee or any other Audit Committee member, as the case may be. Protected Disclosures should preferably be reported in writing as soon as possible after the whistle blower becomes aware of relevant matter. The Fraud Risk Management Policy objective is to prevent, detect and monitor the fraud risk in the Company. The Policy lays down effective mechanisms to prevent, detect and monitor the fraud risks in the Company.

32. Statement regarding Risk Policy in terms of Section 134(3n)

The Company has put in place a risk policy viz. Risk Management Policy. The RMP has been adopted for implementation with a view to achieving the following objectives, which are consistent with the Company's overall business goals and strategies.

- To develop a common understanding of risks and to create risk awareness
- To establish clear accountability and ownership of risk.
- To clearly identify risks and document major threats.



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- Facilitate regulatory compliances.
- To decide upon risk mitigating measures.

33. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Board of Directors has approved the Sexual Harassment policy and constituted the Internal Complaint Committee. The disclosures required to be made under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 are given as follows:

1	Number of Complaints of sexual harassment received in the year	Nil
2	Number of Complaints disposed off during the year	Not Applicable
3	Number of cases pending for more than Ninety days	Not Applicable
4	Number of workshops or awareness programs against sexual harassment carried out	Awareness program for all employee was done
5	Nature of Action taken by the employee	Not Applicable

Pursuant to the Companies (Accounts) Amendment Act, 2018 effective from 31st July 2018 SBICAP Ventures Limited has complied with provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



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34. Compliance with SEBI 's Prohibition of Insider Trading Regulations.

With a view to preventing insider trading, the Employees Securities Trading Code has been formulated in conformity with the SEBI (Prohibition of Insider Trading) Regulations, 2015, to regulate, monitor and report trading in securities by all the employees of the Company.

35. Material changes and commitments affecting financial position of the Company that occurred between the end of the financial year and the date of the report

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company, till the date of this report which requires any changes to be made in the financial statements.

36. Details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status and Company's operations in future.

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

37. Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Directors confirm that: -

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state



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- the Directors had prepared the annual accounts on a going concern basis; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

36) Acknowledgement

The Board of Directors would like to express their thanks to the various Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks, and other business partners for the excellent support received from them during the year.

The Board is happy to place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

The Board is grateful to State Bank of India and the parent Company for providing every support during the year.

For, and on behalf of the Board of Directors

Naresh Yadav

Director

DIN: 08590165

Date: 04/09/2020

Place: Mumbai

Suresh Kozhikote

MD & CEO

DIN: 08183787



Nomination and Remuneration Policy

(Pursuant to Section 178 of the Companies Act, 2013)

As required under the provisions of the Companies Act, 2013 (the Act), as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel ("KMP") and the Senior Managerial Personnel ("SMP") has been formulated by the Nomination and Remuneration Committee of Directors ("NRC" or "the Committee") and approved by the Board of Directors of the Company ("the Board").

1. Objective and purpose:

- a) To take note of appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board.
- c) To take note and recommend to the Board for appointment and remuneration of Executive Directors. To recommend improvements to align to prevailing market standards, the remuneration policy relating to Key Managerial Personnel and senior employees.
- d) To recommend improvements to align to prevailing market standards, performance based incentives /rewards agreed between the Company and Key Managerial Personnel and Senior Management Personnel relating to the Company's operations.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented Senior Management Personnel.

2. Definitions:

2.1 Key Managerial Personnel: Key Managerial Personnel means –

- a) Chief Executive Officer or the Managing Director or the Manager;
- b) Whole-time Director;

- c) Chief Financial Officer;
- d) Company Secretary; and
- e) such other officer as may be prescribed by the Act or rules made thereunder.

2.2 Senior Management Personnel (“SMP”) means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads.

Unless the context otherwise requires, the “words and expressions” used in this Policy and not defined herein but defined in the Companies Act, 2013, as may be amended, from time to time, shall have the meaning respectively assigned to them therein.

3. Applicability:

The Policy is applicable to all Directors, Key Managerial Personnel (KMP), SMP and other employees.

4. Constitution, Composition, Quorum of the Committee

4.1 Number of Members

- i. The Committee shall consist of a minimum 3 (Three) Non-Executive Directors, out of which not less than one half shall be Independent Directors.
- ii. The quorum for the Committee meetings shall be one third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors, whichever is higher, of which, at least one Director shall be an Independent Director.
- iii. The Chairman of the Committee will be a Non-Executive Director from amongst the members of the Committee. In the absence of the Chairman, members of the Committee present at the meeting shall choose one of the members of the committee to act as Chairman.
- iv. The Chairman of the Company may be a member of the Committee but will not chair the Committee.



Sbicap Ventures Ltd.

- v. The Chairman of the Committee or in his absence any other member of the Committee authorised by him in this behalf, shall attend the general meetings of the Company.
- vi. Membership of the Committee shall be disclosed in the Annual Report.

4.2 Meetings and Invitees to meetings:

- i. The Committee will meet as and when required or as mandated by the Board or the Chairman of the Committee.
- ii. The Committee may invite such Executives, as it considers appropriate to be present at any meeting of the Committee. VP&GH (HRD) will be permanent invitee to the Committee
- iii. The Chairman or any other member of Committee or Company Secretary shall be the convener of the Committee meetings.
- iv. The Company Secretary shall act as Secretary of the Committee and provide assistance to it.

5. Role and functions of the Committee related to Nomination

5.1 Appointment criteria and qualifications:

- i. To take note of the Nomination / Appointment of persons who are nominated by SBI Capital Markets Limited in consultation with SBI and qualified to become Directors of the Company and who may be appointed as KMP or SMP of the Company, who possess integrity, independence, adequate knowledge, skill, qualification, experience in the field of his/her specialisation commensurate with the proposed role and responsibility as Director, KMP or SMP and shall have the ability to manage the responsibility assigned to him / her.
- ii. To take note of the Nomination/ Appointment of KMP and Senior Management Person appointed by senior management of SBICAP Ventures Limited in consultation with SBI Capital Markets Limited who possesses integrity, independence, adequate knowledge, skill, qualification, experience in the field of his/her



Sbicap Ventures Ltd.

specialisation commensurate with the proposed role and responsibility as KMP or SMP and shall have the ability to manage the responsibility assigned to him / her.

iii. The Company should ensure that it appoints or continues the employment of any person as Managing Director / Whole-time Director subject to the conditions laid down under Part I of Schedule V of the Companies Act, 2013.

iv. To ensure that the Company shall appoint or continue the service of any person as Independent Director subject to the provisions of Section 149 read with Schedule IV and other applicable provisions of the Companies Act, 2013.

5.2 Tenure of appointment:

i. Executive Directors:

a) The Company shall appoint or re-appoint any person as its Managing Director / Whole-time Director by whatever name called, for a term not exceeding five years at a time, subject to the right of the SBI Capital Markets Limited in consultation with State Bank of India to appoint the Managing Director / Whole-time Director as contained in the Articles of Association of the Company.

b) No re-appointment of the Managing Director / Whole-time Director shall be made earlier than one year before the expiry of his / her term.

ii. Independent Director:

a) To ensure that an Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

b) To ensure that no Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

5.3 Evaluation:

The committee shall carry out evaluation of performance of every Director on yearly basis on certain predetermined parameters.

5.4 Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel, subject to the provisions and compliance of the said Act, rules and regulations.

5.5 Retirement:

- i. The Director shall retire as per the applicable provisions of the Companies Act, 2013, and KMP and SMP shall retire as per the prevailing Policy of the Company in this regard.
- ii. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

6. Role and functions of the Committee related to Remuneration

6.1 Remuneration for the Managing Director / Whole-time Director

The remuneration of the Managing Director/Whole-time Director who is full time employed with the Company will be determined by the Committee and recommended to the Board for approval, subject to the rights of SBI Capital Markets Limited, as contained in the Articles of Association of the Company. The remuneration of the Managing Director / Whole-time Director shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever applicable / required.

6.1.1 The remuneration payable to the Managing Director / Whole-time Director who are on deputation from SBI Capital Markets Limited in consultation with State Bank of India shall be in accordance with the policy of



Sbicap Ventures Ltd.

SBI Capital Markets Limited in this regard and as per the provisions of the Companies Act, 2013, and the rules made there-under, which may be in force, from time to time.

6.1.2 Where any insurance is taken by the Company on behalf of its Directors, Managing Director, KMPs and SMPs for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

6.2 Remuneration to KMPs and SMPs:

6.2.1 Regular Pay:

The KMPs and SMPs including functional heads, shall be eligible for a monthly remuneration as per Company's Policy, which will consist of fixed and Performance based variable pay perquisites and statutory benefits to attract, retain and motivate KMPs and SMPs to attain the short and long term performance objectives of the Company. The KMP or SMP who is on deputation from SBI Capital Markets Limited in consultation with State Bank of India shall be eligible for remuneration as per the policy of State Bank of India/ SBI Capital Markets Limited, in this regard.

6.2.2 Performance based remuneration:

Other KMPs and Senior Management Personnel:

Subject to approval of the Board, in addition to fixed remuneration, to motivate executives to pursue the long term growth and success of the Company, KMPs and SMPs are entitled to receive performance based remuneration which shall be agreed upon between the KMP/SMP and Company and will be subject to provisions, if any, in Contribution Agreement entered into by the Company with external investors.

6.2.3 Minimum remuneration:

If, in any financial year, the Company has no profits, or its profits are inadequate, it shall pay remuneration to its Managing Director / Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.



6.3 Remuneration to Independent Director:

6.3.1 Sitting Fees:

The Independent Director shall receive remuneration by way of fees for attending meetings of Board or Committee thereof as approved by the Board, subject to the maximum limit prescribed by the Central Government from time to time.

7. Appointment and remuneration of other Employees of the Company

The terms of appointment and remuneration of employees of the Company (other than Managing Director, KMPs and SMPs including functional head) shall be governed by the Company Policy and will be subject to provisions, if any, in Contribution Agreement entered into by the Company with external investors.

8. Delegation

The Committee or the Board of Directors may delegate one or more powers / responsibilities prescribed in this policy in favour of the Managing Director / Whole time Director or any other Officer of the Company for implementation of the policy.

Amendment

This policy may be amended, altered or modified by the Committee, if it deemed necessary, subject to approval of the Board.

D. A. KAMAT & CO.

Practicing Company Secretaries

B/208, Shreedham Classic, Next to St. Johns Universal School, S V Road, Goregaon (W), Mumbai 400 104
Tel: +91- 72080 23169 | +91- 90296 61169 | office@csdakamat.com | www.csdakamat.com

To,

The Members,

SBICAP Ventures Limited

202, Maker Tower, 'E',

Cuffe Parade, Mumbai 400 005

Subject: Secretarial Audit Report of the Company for the Financial Year 2019-20

We present herewith the Secretarial Audit Report for **SBICAP VENTURES LIMITED**, for the Financial Year 2019-20 in terms of Section 204 of the Companies Act, 2013. Our report of even date is to be read along with the following:

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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7. In view of the restrictions imposed by the Government of India on the movement of people across India to contain the spread of COVID-19 pandemic, which led to the complete lockdown across the nation, we have relied on electronic data for verification of certain records as the physical verification was not possible.

Place: Mumbai
Date: July 5, 2020

Signature: 
Name of the Firm: D. A. Kamat & Co
FCS No. 3843
CP No: 4965
UDIN: F003843B000416365

D. A. KAMAT & CO.

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FORM NO MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 1ST APRIL 2019 to 31ST MARCH 2020

[Pursuant to Section 204(1) of the Companies Act 2013 and rule No.9 of Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
SBICAP Ventures Limited
202, Maker Tower, 'E',
Cuffe Parade, Mumbai 400 005

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SBICAP VENTURES LIMITED** (hereinafter called the "Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, the explanations and clarifications given to us and there presentations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has during the audit period covering Financial Year from 1st April, 2019 to 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

D. A. KAMAT & CO.

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- I. We have examined the books, papers, minute books, forms and returns filed, reports issued by various fellow professionals and other applicable records and registers and maintained by the Company for the Financial Year from 1st April, 2019 to 31st March, 2020 according to the provisions of:
1. The Companies Act, 2013 (the Act) and the rules made there under
 2. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – as applicable in respect of the reporting towards their Foreign Exchange Management Act, 1999:
 3. Prevention of Money Laundering Act, 2002
 4. SEBI (Alternative Investment Funds) Regulations, 2012 (*As applicable to Category -I and Category - II*)
 5. SEBI (Prohibition of Insider Trading) Regulations, 2015 (*As applicable to an AIF*)
 6. Rules, Regulations, Guidelines, notifications and Circulars and related rules, regulations and guidelines issued by SEBI thereon from time to time (to the extent applicable)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent stated in this Report.

- II. Provisions of the following Regulations and Guidelines prescribed are not applicable to the Company, since the Company is not a listed entity for the financial year ended March 31, 2020, and the same is not covered under report:
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
 - (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (e) The Securities and Exchange Board (Buyback of Securities) Regulations, 1998
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

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- II. We have reviewed the information, documents, records, filings and other certificates or confirmations received from fellow professionals for the period under review and the representations made by the company and its officers on the systems, records and compliances under other laws applicable to the Company. The list of major laws and acts applicable to the company are stated in **Annexure I** to this Report.

- III. We have examined the compliances of the applicable provisions of Secretarial Standards, I and II issued by the Institute of Company Secretaries, India and notified by the MCA u/s 118(10) as issued under the Companies Act, 2013.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through with unanimous consent of all the Board of Directors and recorded as part of the minutes.

D. A. KAMAT & CO.

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We further report that during the year under report, the Company has undertaken following events / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:

1. During the audit period the Company Issued and allotted 1,04,00,000 equity shares of Rs.10/- each on rights basis to existing shareholders of the Company.

Place: Mumbai
Date: July 5, 2020



Signature:
Name of the Firm: D. A. Kamat & Co
FCS No. 3843
CP No: 4965
UDIN: F003843B000416365

D. A. KAMAT & CO.

Practicing Company Secretaries

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Annexure I – List of other Acts specifically applicable to the Company

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

Major Acts applicable to the Company: Based on the list of other statutes provided by the Company, taking into consideration the nature of business, the following list of Major Acts are applicable to the Company.

- a) Employees Provident Fund and Miscellaneous Provisions Act, 1952
- b) The Maternity Benefit Act, 1961
- c) Employees State Insurance Act, 1948
- d) Acts as prescribed under the Direct Taxes and Indirect Taxes
- e) Payment of Gratuity Act, 1972
- f) The Bombay Shops & Establishments Act, 1948
- g) Local laws as applicable to various offices of the Company

Place: Mumbai
Date: July 5, 2020

Signature:



Name of the Firm: D. A. Kamat & Co
FCS No. 3843
CP No: 4965
UDIN: F003843B000416365



Sbicap Ventures Ltd.

Annexure IV

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	U67190MH2005PLC157240
Registration Date	10/11/2005
Name of the Company	SBICAP Ventures Limited
Category	Company limited by shares
Sub-Category of the Company	Indian Non-Government Company
Address of the Registered office and contact details	202, Maker Tower, 'E', Cuffe Parade, Mumbai, Maharashtra India - 400005
Whether listed company	No
Name, Address and Contact details of Registrar and Transfer Agent	Adroit Corporate Services Pvt. Ltd. 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makhwana Road, Marol Naka, Andheri (E), Mumbai -400059, India Landline: 022- 42270400

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Fund Management activities	66309	100%



Sbicap Ventures Ltd.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	ILN	Holding/ subsidiary / associate	% of shares held	Applicable section
1.	SBI Capital Markets Limited No.202, Maker Tower, 'E', 20th Floor, Cuffe Parade, Colaba, Mumbai - 400005	U99999MH1986PLC040298	Holding	100	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April 2019]				No. of Shares held at the end of the year [As on 31 st March 2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/	-	-	-	-	-	-	-	-	-
b) HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4,99,77,917		4,99,77,917		6,03,77,917		6,03,77,917	100%	Nil
e) Banks / FI	-				-		-	-	-
f) Any other	-				-		-	-	-



Sbicap Ventures Ltd.

Total Public Shareholding (B) = (B)(1) + (B)(2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	4,99,77,917		4,99,77,917	100%	6,03,77,917		6,03,77,917	100%	Nil

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Pledged / encumbered total shares	No. of Shares	% of total Shares of the company	% of Pledged / encumbered total shares	
1.	SBI Capital Markets Limited	4,99,77,917	100%	Nil	6,03,77,917	100%	Nil	Nil

iii) Change in Promoters' Shareholding

Sr. No.	Particulars	Shareholding		Date	Increase/Decrease in the share holding	Reason	Cumulative shareholding during the year	
		No. of shares at the beginning	% of total shares of the				No. of shares	% of total shares of the



Sbicap Ventures Ltd.

		and end of the year	compan y					compa ny
1	SBI Capital Markets Limited	4,99,77,917	100	01/04/2019	-	-	4,99,77,917	100
				29/08/2019	1,04,00,000	Right Issue of Equity Shares	6,03,77,917	100
				31/03/2020	-	-	6,03,77,917	1000

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Nil	Nil	Nil	Nil	Nil

v) **Shareholding of Directors and Key Managerial Personnel:**

Particulars	Shareholding at the beginning of the year	
	No. of shares	% of total shares of the company
For Each of the Directors and KMP		
Shri Sanjiv Chadha*	1	0.01%
Shri Uma Shanmukhi Sistla *	1	0.01%
Shri Rajasekhar Raghavan*	1	0.01%
Date wise Increase / Decrease in Promoters Shareholding during the	No Changes	



Sbicap Ventures Ltd.

year specifying the reasons for increase / decrease		
	Shareholding at the end of the year	
For Each of the Directors and KMP	No. of Shares	% of total shares of the company
Shri Uma Shanmukhi Sistla *	1	0.01%

*All the Nominees hold shares on the behalf of the SBI Capital Markets Limited and changes due to transfer of Nominee Directors.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year (Addition/Reduction)	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-



Sbicap Ventures Ltd.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Shri Mahendra Kumar Sharma, WTD & CEO	
			Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	31,53,948	31,53,948
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission - as % of profit - - others, specify...	--	-
5.	Others, please specify	-	-
6.	Total (A)	3153948	3153948
7.	Ceiling as per the Act		

B. Remuneration to other directors. (Amount in Rs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mohan Harshey	Divya Mehrotra	Harish Pattnaik	
1.	Independent Directors • Fee for attending Board and committee meetings • Commission • Others, please specify	2,68,000	32,000	-	300000
Total (1)		268000	32000	-	300000



Sbicap Ventures Ltd.

2.	Other Non-Executive Directors · • Fee for attending board / committee meetings • Commission · • Others, please specify	-	-	1,08,000	108000
Total (2)		-	-	108000	108000
Total (B)=(1+2)		268000	32000	108000	108000
Total Managerial Remuneration					
Overall Ceiling as per the Act		-	-		-

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD (Amount in Rs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Ankita Shrivastav Company Secretary	Kirti Saruparia Chief Financial Officer	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	12,79,235	13,85,448	26,64,683
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-		
5	Others, please specify	-	-	-
Total		12,79,235	13,85,448	26,64,683



VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. Company					
Penalty	None				
Punishment					
Compounding					
B. Directors					
Penalty	None				
Punishment					
Compounding					
C. Other Officers in default					
Penalty	None				
Punishment					
Compounding					

For, and on behalf of the Board of Directors


Naresh Yadav

Director

DIN: 08590165

Date: 04/09/2020

Place: Mumbai



Suresh Kozhikote

MD & CEO

DIN: 08183787



Sbicap Ventures Ltd.

Annexure _V

Form no. AOC - 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis - Nil.

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship

The following is the list of parties related as per Ind AS-24,

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



Sbicap Ventures Ltd.

(Rs in Lakhs)

Nature of Transaction	Ultimate Holding Company	Holding Company	Fellow Subsidiary Company	Group Company	Key Managerial Personnel	Others
1) Expenses						
Salary and allowance (M.K. Sharma)					32	
					(15)	
Salary to Kirti Saruparia					14	
					(7)	
Salary to Ankita Shrivastav					13	
					(8)	
Royalty Payment	1.82					
	-					
Insurance Expenses				0		
				(0)		
Bank Charges	0					
	(0)					
Staff Insurance Premium (Reimbursements)		6				
		(3)				
Professional Fee & Travelling (reimbursements)		17				
		-				
Trusteeship fee			2			
			(2)			
2) Assets						
a) Investments						
SBI Foundation (closing balance)				0		
				(0)		

b) Bank Account (closing balance)	78					
	(37)					
c) Payables (reimbursements for health insurance)		2				
		-				
3) Other Transactions						
a) Rights Issue (SBICAPITAL Markets Ltd)		1,040				
		(1,070)				
b) Investments in Neev Fund Additional Return Trust						60
						-

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

For, and on behalf of the Board of Directors



Naresh Vadav

Director

DIN: 08590165

Date: 04/09/2020

Place: Mumbai



Suresh Kozhikote

MD & CEO

DIN: 08183787

CAG COMMENTS

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBICAP VENTURES LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of SBICAP Ventures Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 20th April 2020.

The assets under management through various schemes managed by SBICAP Ventures Limited are not reflected in its Balance Sheet since these assets do not form part of the SBICAP Ventures Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the asset managed by the SBICAP Ventures Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of SBICAP Ventures Limited for the year ended 31 March 2020 under section 143 (6)(a) of the Act.

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

**Sd/-
(P V Hari Krishna)
Principal Director of Audit (Shipping), Mumbai**

**Place: Mumbai
Date :07. 07. 2020**



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INDEPENDENT AUDITORS' REPORT

To the Members of **SBICAP VENTURES LIMITED**

Report on the Audit of the Financial Statements

We have audited the accompanying IndAS financial statements of **SBICAP VENTURES LIMITED** ("the Company"), which comprise the Balance Sheet as at **March 31, 2020**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "IndAS Financial Statements")

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid IndAS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2020, its Profit, Other Comprehensive Income, the Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial





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statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management and those Charged with Governance for the Financial Statements

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

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or





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has no realistic alternative but to do so. The Members of the Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibility

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

Annexed herewith **Annexure B** to this report, the Auditors responsibility under Standards of Auditing, Assurance and Limitations of Audit.

Report on Other Legal and Regulatory Requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "**Annexure A**" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- ii. As required by Section 143(3) of the Act, we report that:
 - a We have sought and obtained all the information and explanations which, to best of our knowledge and belief, were necessary for the purposes of our audit;





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- b In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Account;
- d In our opinion, the aforesaid IndAS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the relevant rules issued thereunder.
- e On the basis of written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act:
- f with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “Annexure C”
- g With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, as amended, in our opinion and to our best of our information and according to the explanations given to us :
 - (i) The Company has no pending litigations having impact on its financial position required to be reported in the IndAS financial statements.
 - (ii) The Company did not have any long-term contracts including derivatives





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contracts for which there were any material foreseeable losses, as required under the applicable law or accounting standards

(iii) There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

h. Directions under section 143(5) of Companies Act 2013 applicable from the year 2018-19 and onwards.

I. The company has system in place to process all the accounting transactions through IT system. All the transactions are processed through IT System only.

II. The company does not have any loans, so question of restructuring / waiver / write off does not arise.

III. The company has not received any amounts from specific schemes from central/ state agencies.



Mumbai,

Dated 20th April 2020

For MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Registration No. 105770W

(AMAR CHAND BAGRECHA)

Partner

Membership No. 056605

UDIN:20056605AAAAAH3709



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“Annexure A” To Independent Auditors’ Report

(Referred to in our report of even date)

[Referred in Paragraph (i) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the member of SBICAP Ventures Limited on the IndAS financial statements for the year ended March 31, 2020]

i) Fixed Assets:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company are physically verified by the management at reasonable intervals and no material discrepancies were noticed by the management on such verification.
- (c) The Company does not own any immovable properties. Thus sub-clause (c) is not applicable.

ii) Inventories:

The Company does not hold any inventories. Thus sub-clause (a), (b) & (c) of the clause (ii) of the Order is not applicable.

iii) Granted Secured or Unsecured Loans:

The Company has not granted secured or unsecured loans to companies, firms, limited liability partnership or other parties covered in the register maintained u/s 189 of the Act. Thus clauses (a), (b) and (c) of (iii) of the Order are not applicable.





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iv) Loans and Investments:

The Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.

During the year we have relied on the Fair Value of Investments based on Investor Reports or NAV derived from latest available financials audited by other firm of Chartered Accountants for Current and previous years reinstatement required under IndAS.

v) Acceptance of Public Deposits:

The Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.

vi) Cost Records:

Maintenance of cost records have not been prescribed by the Central Government under Section 148(1) of the Act.

vii) Statutory Dues:

- (a) The Company is regular, wherever applicable in depositing with the appropriate authorities undisputed statutory dues, including provident fund, employee's state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues. There were no arrears as at 31 March 2020 for a period of more than six months from the date they became payable.





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- (b) There are no dues, wherever applicable in case of income tax, sales-tax, service tax, customs duty, excise duty, value added tax, that have not been deposited with the appropriate authorities on account of dispute.

viii) Default in Repayment of Loans:

The Company has not accepted any amount from the financial institutions, banks, government or debenture holders. Hence, the question of default in repayment of dues does not arise.

ix) Public Offer and Term Loans:

The Company has not issued / raised by way of initial public offer or further public offer and term loans during the year. Hence, the provisions of this clause with regards to its application and the purpose for which they were raised are not applicable to the Company.

x) No Fraud during the year:

No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi) Managerial Remuneration:

According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.





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xii) Nidhi Company:

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii) Related Party Transactions:

The Company has complied with sections 177 and 188 of the Companies Act, 2013 and with the applicable Accounting Standards and has disclosed accordingly in its Financial Statements.

xiv) Preferential Allotment or Private Placement of shares or fully or partly convertible debentures:

The Company has not issued any preferential allotment or private placement of shares within the meaning of section 42 of the Companies Act, 2013.

xv) Non-Cash Transactions with directors or persons connected with them:

The Company has complied with section 192 of the Companies Act, 2013, in respect of above, if any.

xvi) Registration u/s. 45-1A of the Reserve Bank of India Act, 1934:

The Company is not required to be registered under the said Act.





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“Annexure B” To Independent Auditors’ Report

(Referred to in our report of even date)

[Report on the Assurance and limitations of Audit under Standards of Auditing specified under Sub-section 10 of Section 143 of the Companies Act, 2013 (“the Act”).]

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast





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significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

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

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





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Annexure C” To Independent Auditors’ Report

(Referred to in our report of even date)

[Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”).]

We have audited the internal financial controls over financial reporting of **SBICAP Ventures Limited** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be





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prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that





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- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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





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Amar Bagrecha
B.Com. (Hons.) F.C.A.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MAHENDRA KUMBHAT & ASSOCIATES

Chartered Accountants

Firm Registration No. 105770W



Mumbai,

Dated 20th April 2020

(AMAR CHAND BAGRECHA)

Partner

Membership No. 056605

UDIN:20056605AAAAAH3709

SBICAP Ventures Limited
Balance sheet as at 31st March 2020

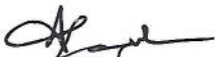
(Rs in Lakhs)

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

The accompanying notes are an integral part of these financial statements

As per our attached Report of even date


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


Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709


Place : Mumbai
Date : 20th April 2020




For and on behalf of the Board
SBICAP Ventures Limited


Naresh Yadav
(Director)
DIN:08590165


Kirti Saruparia
(CFO)


Mahendra Kumar Sharma
(WTD & CEO)
DIN:08250736


Ankita Shrivastav
(CS)



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


(Rs in Lakhs)

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

The accompanying notes are an integral part of these financial statements

As per our attached Report of even date

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


Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709


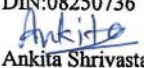
Place : Mumbai
Date : 20th April 2020



For and on behalf of the Board
SBICAP Ventures Limited


Naresk Yadav
(Director)
DIN:08590165

Kirti Saruparia
(CFO)


Mahendra Kumar Sharma
(WTD & CEO)
DIN:08250736

Ankita Shrivastava
(CS)



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

(Rs in Lakhs)


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

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

The accompanying notes are an integral part of these financial statements

As per our attached Report of even date


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


Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709

Place: Mumbai
Date: 20th April 2020



For and on behalf of the Board
SBICAP Ventures Limited


Naresh Yadav
(Director)
DIN:08590165.


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(WTD & CEO)
DIN:08250736

Ankita Shrivastav
(CS)



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

A. Equity Share Capital

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

B. Other Equity

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

The accompanying notes are an integral part of these financial statements


As per our attached Limited Review Report of even date

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



Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709

Place : Mumbai
Date : 20th April 2020

For and on behalf of the Board
SBICAP Ventures Limited


Naresh Yadav
(Director)
DIN:08590165

Kirri Saruparia
(CFO)


Mahendra Kumar Sharma
(WTD & CEO)
DIN:08250736

Ankita Shrivastav
(CS)



SBICAP VENTURES LIMITED

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

A) Company Overview

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

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

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

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

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

1. Significant Accounting Policies

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

A. Basis of Preparation and Recent Accounting Developments

i. Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (hereinafter referred to as “Ind AS”) under the provisions of the Companies Act, 2013 (hereinafter referred to as ‘the Act’) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The company is covered under definition of NBFCs as per MCA notification dated 30th March 2016. Therefore the financials statements have been prepared as per format prescribed by MCA for Non Banking Financial Companies.

ii. Basis of measurement

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

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



SBICAP VENTURES LIMITED

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

iii. Recent Accounting Developments

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

B. Summary of significant accounting policies

a. Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

Based on the nature of products and services offered by the Company, operating cycle determined is 12 months for the purpose of current and non-current classification of assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents,

b. Foreign Currencies

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



SBICAP VENTURES LIMITED

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

Transaction and balances

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

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

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

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

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

c. Revenue recognition

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

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

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

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

- **Interest Income**

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

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable which is the rate which exactly discounts estimated future cash receipts through the expected life of financial assets to that asset's net carrying amount on initial recognition.



SBICAP VENTURES LIMITED

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

- **Dividend Income**

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

- **Insurance claims**

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

d. Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Such cost includes the cost of replaced part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The cost of an item of property, plant and equipment is recognized as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment (excluding freehold land) are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the company recognize such parts as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognized in the Statement of Profit and Loss as incurred.

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

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

Description of Asset	Useful lives estimated by the management (years)	Depreciation Method
Computers and mobiles	3	SLM
Office Equipment (other than mobile phones)	5	SLM
Electrical fittings	10	SLM
Furniture & Fixtures	10	SLM
Plant & Machinery	15	SLM
Plant & Machinery (Electric fittings)	8	SLM



SBICAP VENTURES LIMITED

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

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

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

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

Transition to Ind AS

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

e. Taxation

Current taxes

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

Deferred taxes

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

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

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



SBICAP VENTURES LIMITED

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

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

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

f. Fair Value measurement

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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



SBICAP VENTURES LIMITED

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

g. Impairment of Non-Financial Assets

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

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

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

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

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

h. Financial Instruments

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

Financial Assets

a) Initial recognition and measurement

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



SBICAP VENTURES LIMITED

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

b) Subsequent measurement

Debt Instruments at amortised cost:

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

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

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

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

A financial asset which does not meet the criteria for categorization as at amortized cost or as fair value through other comprehensive income is classified as fair value through profit or loss. Debt instruments subsequently measured at fair value through profit or loss are measured at fair value with all changes recognized in the statement of profit and loss.

Equity instruments

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

Dividends from such investments are recognized in profit or loss as other income. There is no recycling of the amounts from OCI to Profit and Loss, even on sale/derecognition of equity instrument. However, the Company may transfer the cumulative gain or loss within equity.

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

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



SBICAP VENTURES LIMITED

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

c) De-recognition

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

The rights to receive cash flows from the asset have expired, or

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

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

d) Impairment of financial assets

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

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months expected credit losses.

For trade receivables or any contractual right to receive cash or another financial assets that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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



SBICAP VENTURES LIMITED

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

Financial Liabilities

a) Initial recognition and measurement

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

b) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

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

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

Financial liabilities at amortised cost

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

Loans and borrowings

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

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



SBICAP VENTURES LIMITED

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

c) Derecognition

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

d) Offsetting of financial instruments

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

i. Leases

Company as a Lessee

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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

The company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the company uses incremental borrowing rate. For leases with reasonably similar characteristics, the company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring



SBICAP VENTURES LIMITED

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

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

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

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

Company as a Lessor

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

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

j. Borrowing Costs

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

k. Equity Instruments

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

l. Dividends

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

m. Provisions

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.



SBICAP VENTURES LIMITED

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

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

n. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Payments in respect of such liabilities, if any are shown as advances.

o. Earnings Per Share

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

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

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- weighted average number of equity shares that would have been outstanding assuming the conversion of all the dilutive potential equity.

p. Cash and Cash Equivalents

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



SBICAP VENTURES LIMITED

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

q. Employee Benefits

- Post-employment obligations

The Company operates the following post-employment schemes:

- I. Defined benefit plans -Gratuity

Defined benefit plan - Gratuity Obligations

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

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

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

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

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

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

2. Critical Accounting Judgements and Estimates

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

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



SBICAP VENTURES LIMITED

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

▪ Defined benefit plans

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

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

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

▪ Fair value measurement of financial instruments

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



SBICAP Ventures Limited

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

(Rs in Lakhs)

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

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

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

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



SBICAP Ventures Limited

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

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

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

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

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



SBICAP Ventures Limited

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

Note 10 - Property, plant and equipment

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



SBICAP Ventures Limited

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

FINANCIAL LIABILITIES**(Rs in Lakhs)**

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

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

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

(Rs in Lakhs)

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



SBICAP Ventures Limited

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

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

As at 01.04.2019

Increase(decrease) during the period

As at 31.03.2020

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

Issued equity capital

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

As at 01.04.2019

Changes during the period

As at 31.03.2020

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

Terms/ rights attached to equity shares

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

Rights Issue

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

Shares of the company held by Holding Company

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

Note 15 - Other Equity

(Rs in Lakhs)

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

*Capital Redemption reserve has been created on buyback of shares



SBICAP Ventures Limited

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

(Rs in Lakhs)

Revenue from operations

Particulars	For the year ended	
	31st Mar 2020	31st Mar 19
Note 16 - Fees and Comission Income		
Management Fees	2,545	911
Fees and Comission Income Total	<u>2,545</u>	<u>911</u>
Note 17 - Interest Income		
Interest on Bank Fixed Deposit	-	-
Interest from deposits with banks	-	-
Interest Income Total	<u>-</u>	<u>-</u>
Note 18 - Dividend Income		
- Subsidiary Companies	-	-
- Others	-	-
	<u>-</u>	<u>-</u>
Note 19 - Net gain (loss) on fair value changes		
- Instruments measured at Fair value through Profit & Loss		
Fair Value gain(loss) on MF, Neev Fund & Swamih Fund(Unrealised)	(122)	(234)
Short Term Capital Gain on sale of Mutual Fund Units (Realised)	62	139
Long Term Capital Gain on Pipe Fund Redemption (Realised)	-	31
Net gain (loss) on fair value changes Total	<u>(60)</u>	<u>(64)</u>

Note 20 - Other Income

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

Note 21 - Employee Benefits Expense

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

Note 22 - Depreciation, amortization and impairment

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



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

Note 23 - Others expenses

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

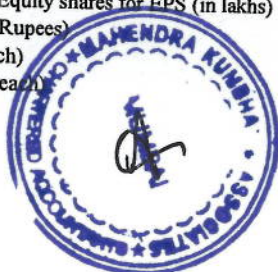
The company has incurred Rs 186 lakhs, Rs 16lakhs , Rs89 lakhs & Rs 27 lakhs on Neev Fund ,Affordable Housing Fund, SWAMIH Investment Fund Iand SME fund respectively in FY 2019-20(this excludes depreciation and allocation of common expenses)The expense incurred on AHF is not recoverable as fund is in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

Note 24 - Tax Expense

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

Note 25 - Earnings Per Share

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



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

Note 26 - Related Party Transactions

a) Relationship

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

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

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

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

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

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



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

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

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

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

Note 28 - Payment to auditors

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

Note 29 Contingent liabilities and commitments

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

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



SBICAP Ventures Limited

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

Note30-Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

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

Reconciliation of Defined benefit obligation**Changes in defined benefit obligation****(Rs in Lakhs)**

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

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

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



SBICAP Ventures Limited

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

Balance sheet

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

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

Statement of profit & loss

Expenses recognised in the Statement of profit and loss:

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

Statement of other Comprehensive Income (OCI)

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

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

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



SBICAP Ventures Limited

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

Sensitivity Analysis

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

(Rs in Lakhs)

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

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

Projected plan cash flow:

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

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

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



SBICAP Ventures Limited

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

Note31-Leases

1 Transition to Ind AS-116

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

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

2 As a Lessee

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

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

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

- 3** The company has taken certain premises on short term leases and leases of low value and lease rent charged in respect of same have been charged under Rent expenses in Note. 24 to the statement of Profit and Loss. Lease rent amounting to Rs. 85 lakhs(2019-77 lakhs) has been debited to statement of profit and loss during the year ended 31 March 20.



Note 32 - Financial Instruments

1 Fair values

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

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

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

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

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

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

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

2 Fair value hierarchy

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

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

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



Fair value hierarchy as at 31st Mar, 2020

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

Fair value hierarchy as at 31st March, 2019

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

Fair value measurement using significant unobservable inputs (level 3)

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

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

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

3 Capital Management & Gearing Ratio

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

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

4 Financial risk management objectives and policies

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

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



SBICAP Ventures Limited

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

4.1 Market risk

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

4.2 Credit risk management

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

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

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

4.3 Liquidity risk management

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

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

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

Note 33 - Fund-wise income & expense details

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

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

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

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



SBICAP Ventures Limited


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

Note 34 - Covid -19 Impact

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

As per our attached audit report of even date


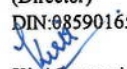
For Mahendra Kumbhat & Associates
Chartered Accountants
(FRN : 105770W)


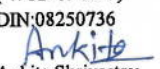

Amar Chand Bagrecha
Membership No. 056605
UDIN:20056605AAAAAH3709

Place : Mumbai
Date : 20th April 2020



For and on behalf of the Board
SBICAP Ventures Limited


Naresht Yadav
(Director)
DIN:08590165

Kiriti Saruparia
(CFO)


Mahendra Kumar Sharma
(WTD & CEO)
DIN:08250736

Ankita Shrivastav
(CS)



CAG COMMENTS

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBICAP VENTURES LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of SBICAP Ventures Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 20th April 2020.

The assets under management through various schemes managed by SBICAP Ventures Limited are not reflected in its Balance Sheet since these assets do not form part of the SBICAP Ventures Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the asset managed by the SBICAP Ventures Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of SBICAP Ventures Limited for the year ended 31 March 2020 under section 143 (6)(a) of the Act.

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

**Sd/-
(P V Hari Krishna)
Principal Director of Audit (Shipping), Mumbai**

**Place: Mumbai
Date :07. 07. 2020**