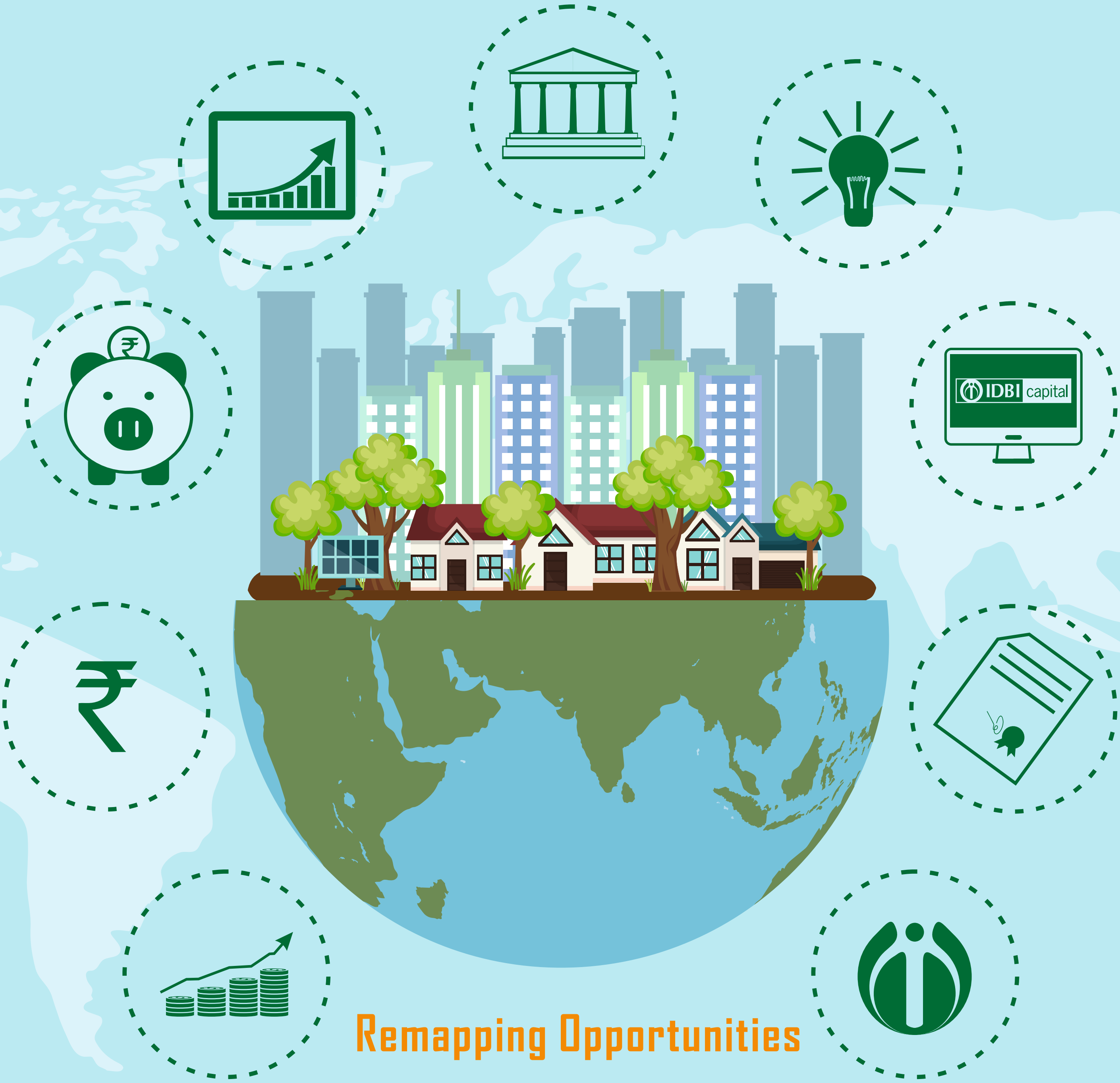
IDBI capital

वार्षिक रिपोर्ट 2020-21

ANNUAL REPORT 2020-21



Remapping Opportunities

Opportunities • Expansion • Growth

CONTENTS

Board of Directors

Mr. Rakesh Sharma
Chairman
(DIN: 06846594)

Mr. Samuel Joseph J
Director
(DIN: 02262530)

Ms. Lalitha Rameswaran
Independent Director
(DIN: 02326309)

Mr. Venkat Nageswar Chalasani
Additional Director
Independent Category
(DIN: 07234179)
(w.e.f.May 31,2021)

Ms. Uma Shankar
Independent Director
(DIN: 07165728)

Mr. Iswar Padhan
MD & CEO
(DIN : 03560275)
(w.e.f. 01.10.2020)

Audit Committee

- Ms. Lalitha Rameswaran
- Ms. Uma Shankar
- Mr. Samuel Joseph J.

NRC

- Mr. Venkat Nageswar Chalasani (w.e.f July 23, 2021)
- Ms. Lalitha Rameswaran
- Mr. Samuel Joseph J.
- Ms. Uma Shankar (up to July 23, 2021)

CSR Committee

- Ms. Uma Shankar (w.e.f December 15,2020)
- Mr. Venkat Nageswar Chalasani (w.e.f July 23, 2021)
- MD & CEO
- Ms. Lalitha Rameswaran (up to July 23, 2021)

KMPs and Auditors of the Company

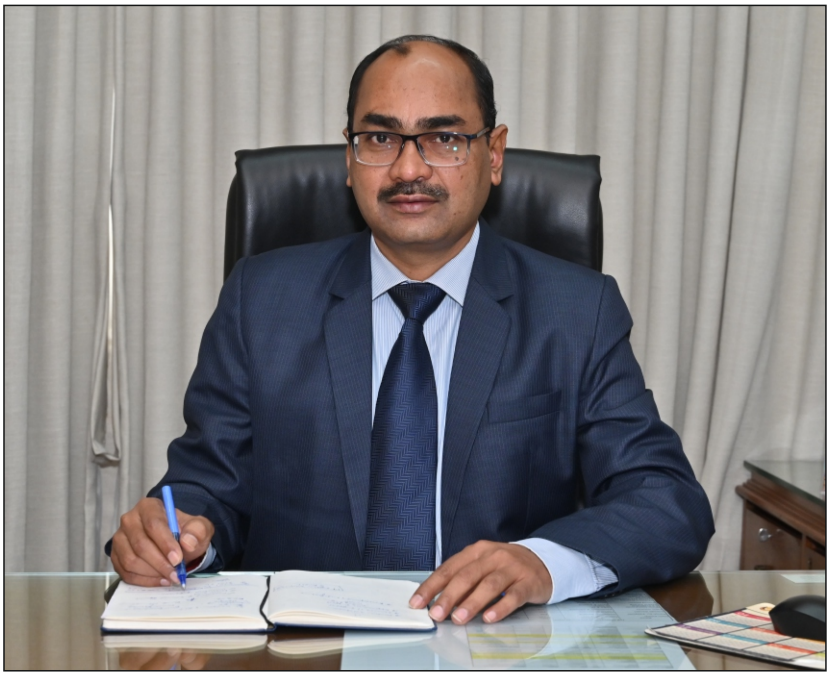
Chief Financial Officer Mr. V. Gopinath (up to 31st May,2021) Mr. Dattatraya Bhosale (w.e.f 1st June 2021)	**Company Secretary & Compliance Officer** Ms. Christina D'souza
Statutory Auditors M/s. Shah Gupta & Co. Chartered Accountants 38, Bombay Mutual Building 2nd Floor, Dr. D. N. Road, Fort, Mumbai - 400 001	**Internal Auditors** For F.Y. 2020-21 Ford Rhodes Parks & Co. LLP Chartered Accountants Sai Commercial Building 312/313, 3rd floor, BKS Devshi Marg, Govandi (East), Mumbai – 400 088 For F.Y. 2021-22 Shah Ramaiya & Co. Plot No. 36/227, RDP 10, Sector VI, Charkop, Kandivali West, Mumbai – 400 067

Company Information

Bankers
IDBI Bank Limited
HDFC Bank Limited
Federal Bank Limited

Registered Office
6th Floor, IDBI Tower, World Trade Complex, Cuffe Parade, Mumbai - 400 005.
CIN: U65990MH1993GOI075578

Email id: info@idbicapital.com
Website: www.idbicapital.com
Trading Portal: www.idbidirect.in



Dear Shareholders,

It is my privilege to present to you the performance highlights of your Company for the financial year 2020-21.

The FY 2020-21 is a turnaround year as we moved from losses of the previous year to profit in Fiscal 2021. Your Company achieved gross revenue of Rs. 93.84 crore in financial year 2020-21 compared to Rs. 71.77 crore in the previous financial year registering a growth of 30%. Total expenses (including provisions) were contained at Rs. 82.21 crore which was similar to previous year's level of Rs. 85.66 crore. Profit Before Tax and Net Profit during the year 2020-21 were at Rs.11.63 crore and Rs. 10.37 crore as against Rs. (13.89) crore and Rs. (11.71) crore in the previous financial year respectively.

Fiscal 2021 was a year beyond comparison owing to the unprecedented and unexpected onset and surge of the COVID 19 pandemic. With subdued corporate credit market, the traditional investment banking segments like Syndication and M&A were weak and implementation of recovery/resolution advisory market also were down. The Capital Market however, remained buoyant during the year with Sensex and Nifty touching its all-time highs. The buoyancy in secondary market opened up avenues for capital issuance in primary market through IPO, FPO, QIP, OFS etc. In the ECM segment the Company concluded QIPs for 2 major Banks and 2 IPOs. Apart from these, the Company also completed few Buy Back and Offer for Sale deals.

The Syndication segment of Investment Banking group executed few syndication mandates which include both Central and State PSUs. It has also executed mandates across diverse sectors such as chemicals, engineering, healthcare, commercial real estate, industrial parks and sugar. In the Debt Resolution space, on account of the financial stress caused due to COVID-19 and the lockdown, resolution process of stressed assets outside IBC has picked up albeit at a slower than expected pace.

However, despite the lag in business, your Company ranked # 6 in terms of number of IPOs, OFS and FPOs managed in fiscal 2021 and # 3 on the league table for the Buyback Product through the Tender Offer route in terms of issue amount being managed (Source: Prime Database).

The robust capital market conditions present during the year has helped improve Retail Brokerage revenues. With a focus on new client acquisition and digitisation of the Customer experience, the Retail Broking business is expected to soar to new heights. The Institutional Equities business has been growing steadily diligently onboarding clients and expanding its presence.

During Fiscal 2021, the Debt Capital Markets (DCM) and Alternative Investment Fund (AIF) management business continues to make significant profit contribution to the Company by being a steady and reliable source of revenue.

The challenges of Fiscal 2021 have tested the resilience of the Company. Concluding the year on a positive note has given a renewed sense of purpose and direction to the Company. During the year ahead, with Equity Capital Markets witnessing a buoyancy and the aggressive divestment plans and asset monetisation of the Government, we shall continue to make our presence felt on the League Tables with our persistent efforts. Digitisation of the Customer Experience shall be our focus area in the coming year. All our business lines are fuelled with a passion to achieve greater heights in the coming year.

As I conclude, I wish to express my gratitude to the Board of Directors of the Company for its guidance and support. I especially express my gratitude to the Company Chairman Mr. Rakesh Sharma, for the encouragement and motivation during the challenging year. I would like to thank the IDBI Capital Team for striving tirelessly to turn the vision of the Company into a reality, our colleagues at IDBI Bank for their constant support and guidance. I wish to also express my gratitude to the Comptroller and Auditor General of India (C&AG), SEBI, RBI, BSE, NSE, MCX, NSDL, CDSL and other institutions and partner banks and other Stakeholders for their support. Our Customers/Clients as always deserve a special thanks for their continued trust and patronage on the business endeavours of the Company.

With best wishes,
Iswar Padhan
MD & CEO

Notice Of The Twenty Eighth (28th) Annual General Meeting

NOTICE is hereby given that the Twenty Eighth (28th) Annual General Meeting of the Members of IDBI Capital Markets & Securities Limited will be held on the Wednesday, November 17, 2021 at 11:30 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

A. Ordinary Business

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS

To receive, consider and adopt the Audited Balance Sheet and Profit and Loss Account of the Company for the year ended March 31, 2021 and the reports of the Board of Directors, Statutory Auditors and Comments of the Comptroller and Auditor General of India thereon.

2. RE-APPOINTMENT OF A DIRECTOR

To appoint a Director in place of Mr. Rakesh Sharma (DIN: 06846594), who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 and being eligible seeks re-appointment.

3. APPOINTMENT OF AUDITORS AND FIX THEIR REMUNERATION

To take note of the appointment of M/s. Shah Gupta and Co. Chartered Accountants as Statutory Auditors of the Company appointed by the Comptroller And Auditor General of India for the Financial Year 2021–22 and to approve the remuneration payable to the Statutory Auditors.

In this connection, to consider and if thought fit, to pass, with or without modifications(s) the following resolution as an Ordinary Resolutions:

"**RESOLVED THAT** appointment of M/s. Shah Gupta and Co. Chartered Accountants, as Statutory Auditors of the Company by the Comptroller and Auditor General of India pursuant to the provisions of Section 139(5) and other applicable provisions if any, of the Companies Act, 2013 for the Financial Year 2021–22, be and is hereby noted.

RESOLVED FURTHER THAT approval of the members of the Company is hereby accorded for payment of remuneration of Rs. 8,00,000/- (Rupees Eight Lakhs only) excluding GST to M/s. Shah Gupta and Co. Chartered Accountants, Statutory Auditors for the Financial Year 2021-22.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to revise the remuneration payable to the Statutory Auditors of the Company for the Financial Year 2021–22, subject to intimation to/approval of the Comptroller and Auditor General of India as may be required."

B. SPECIAL BUSINESS:

4. APPOINTMENT OF MR. VENKAT NAGESWAR CHALASANI (DIN: 07234179) AS INDEPENDENT DIRECTOR OF THE COMPANY

To consider and, if thought fit, to pass, with or without modification, the following resolution as Special Resolution:

"RESOLVED THAT Mr. Venkat Nageswar Chalasani (DIN: 07234179), who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of the Annual General Meeting under Section 161 (1) of the Companies Act, 2013, and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member/Director under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150(2), 152 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under (including any statutory modification(s) or re-enactment thereof) read with Schedule IV to the Companies Act, 2013 as amended from time to time Mr. Venkat Nageswar Chalasani (DIN 07234179), who meets the criteria for independence as provided in Section 149(6) of the Act and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of 3 years commencing May 31, 2021 upto May 30, 2024.

RESOLVED FURTHER THAT the Company Secretary be and is hereby authorized to do all things and deeds required to give effect to this resolution including but not limited to informing the ROC/ MCA/ Competent Authority by filing applicable Statutory Forms with Regulators and updating relevant records."

5. RE-APPOINTMENT OF MR. ISWAR PADHAN (DIN 03560275) AS MD & CEO OF THE COMPANY

To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution:

"**RESOLVED THAT** in terms of Articles, 129 and 130 of the Articles of Association of the Company and in terms of sections 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V to the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification/amendment or re-enactment thereon, if applicable) and as per the recommendation of the Nomination & Remuneration Committee of the Board, approval of the Members be and is hereby accorded to the Re-appointment of Mr. Iswar Padhan (DIN: 03560275) as Managing Director & CEO of the Company up to September 30, 2022, subject to further extension by IDBI Bank Ltd, on such terms and conditions including remuneration as contained in IDBI Bank intimation to this effect, who shall not be liable to retire by rotation."

RESOLVED FURTHER THAT Mr. Iswar Padhan (DIN: 03560275), shall not be entitled to receive any remuneration from the Company except for all pay, allowances, perquisites and superannuation contribution as per rules stipulated by IDBI Bank and other applicable policies of IDBI Bank/IDBI Capital subject to the ceilings prescribed by the Companies Act, 2013 and applicable rules there under.

RESOLVED FURTHER THAT where in any financial year during the tenure of Mr. Iswar Padhan (DIN: 03560275) as MD &CEO, the Company has no profits or the profits are inadequate, approval of the members of the Company be and is hereby accorded to pay him the maximum remuneration in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to extend the period of appointment of Mr. Iswar Padhan (DIN: 03560275), if so desired by the Board, at the expiry of the One year period from October 1, 2021.

RESOLVED FURTHER THAT that the Board of Directors of the Company be and is hereby authorized to vary the terms of appointment including remuneration within the overall limits prescribed under the Companies Act, 2013 and Schedules V of the Companies Act, 2013 thereto on the basis of advice given by IDBI Bank Limited from time to time and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution without requiring the Board to secure any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT the Company Secretary be and is hereby authorized to do all things and deeds required to give effect to this resolution including but not limited to inform the ROC/ MCA/ Competent Authority by filing applicable statutory Forms with regulators and updating relevant records."

Place: Mumbai
Date: October 25, 2021

By the Order of the Board of Directors
IDBI Capital Markets & Securities Limited

Sd/-
Christina D'souza
Company Secretary

Registered Office:
6th Floor, IDBI Tower, WTC Complex,
Cuffe Parade, Mumbai – 400 005.
Tel: 91 22 2217 1700
Fax: 91 22 2215 1787
CIN: U65990MH1993GOI075578
Website: http://www.idbicapital.com
Email: cs@idbicapital.com

NOTES:

I. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 , April 13, 2020, May 5,2020 and clarification circular No. 02/2021 dated January 13, 2021 & circulated from time to time (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

ii. Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM, is annexed.

iii. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

iv. Corporate Members intending to send their authorized representatives to attend AGM through VC / OAVM on its behalf and to vote through are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.

v. In case of joint holders attending the meeting, only such joint holders who are higher in the order of the names will be entitled to vote.

vi. Due to Covid-19 pandemic, relevant documents referred to in the Notice and the accompanying statement can be demanded by Members for inspection by sending an email to cs@idbicapital.com of the Company during business hours on all working days, up to the date of the Annual General Meeting.

vii. The Quorum for the Annual General Meeting, as provided in section 103 of the Companies Act, 2013, is 5(five) members, attending the AGM through VC / OAVM at the commencement of business.

viii. Section 20 of the Companies Act, 2013 permits service of documents on Members by a company through electronic mode. Therefore in accordance with the Companies Act, 2013 read with the Rules framed thereunder, the Annual Report 2020-21 is being sent through electronic mode to those Members whose email addresses are registered with the Company unless any Member has requested for a physical copy of the Report. For Members who have not registered their email addresses, physical copies of the Annual Report 2020-21 are being sent by the permitted mode.

Statement pursuant to Section 102(1) of the Companies Act, 2013

ITEM NO 4: APPOINTMENT OF MR. VENKAT NAGESWAR CHALASANI (DIN: 07234179) AS INDEPENDENT DIRECTOR OF THE COMPANY

Mr. Venkat Nageswar Chalasani (DIN:07234179) was inducted as an Additional Director on the Board of Directors of the Company by Resolution passed in the meeting held on May 31, 2021.

In terms of section 161 of the Companies Act, 2013, Mr. Venkat Nageswar Chalasani (DIN:07234179) holds office only up to the date of this Annual General Meeting of the Company, but is eligible for re-appointment as a Director.

A written Notice pursuant to Section 160 of the Companies Act, 2013, has been received from a member/Director signifying intention to propose Mr. Venkat Nageswar Chalasani (DIN:07234179) as a candidate for the office of Director of the Company.

The Board has also recommended appointment of Mr. Venkat Nageswar Chalasani (DIN: 07234179) as Independent Director.

Mr. Venkat Nageswar Chalasani (DIN: 07234179) being eligible has offered himself for appointment as Independent Director. The Nomination and Remuneration Committee has also recommended the appointment Mr. Venkat Nageswar Chalasani **(DIN: 07234179)** as an Independent Director to hold office upto 30th May 2024.

Mr. Venkat Nageswar Chalasani **(DIN: 07234179)** does not receive any remuneration, benefits, or commission from the Company apart from sitting fees of meetings attended. In the opinion of the Board, Mr. Venkat Nageswar Chalasani **(DIN: 07234179)** fulfills the conditions specified in the Companies Act, 2013 and Rules made thereunder for appointment as an Independent Director of the Company and is independent of the management.

A copy of the draft letter of appointment to be issued to Mr. Venkat Nageswar Chalasani **(DIN: 07234179**) setting out the terms and conditions of appointment would be available for inspection if demanded by the Members vide email to cs@idbicapital.com during normal business hours on any working day, excluding Saturday.

Accordingly, the Board recommends for approval the appointment Mr. Venkat Nageswar Chalasani **(DIN: 07234179)**, as an Independent Director.

Except Mr. Venkat Nageswar Chalasani **(DIN: 07234179)** being an appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 4.

ITEM NO 5: RE-APPOINTMENT OF MR. ISWAR PADHAN (DIN: 03560275) AS MD & CEO OF THE COMPANY

IDBI Bank Ltd vide its letter Ref No. HRD No. 1035/ICMS dated September 18, 2020, had recommended the appointed Mr. Iswar Padhan (**DIN:** 03560275) as MD & CEO for a term of 1 year up to September 30, 2021.

Upon recommendation of the Board of Directors and the Nomination Remuneration Committee of the Board, the Members of the Company at the 27th Annual General Meeting held on December 22, 2020 had approved and confirmed the appointment of Mr. Iswar Padhan (**DIN:** 03560275) as MD & CEO of the Company.

IDBI Bank Ltd vide is office order no. 1134 dated September 22, 2021had extended the deputation of Mr. Iswar Padhan (**DIN:** 03560275), as Managing Director & CEO of the Company till September 30, 2022 on existing terms and conditions.

Accordingly, upon recommendation of Nomination & Remuneration Committee the Board of Directors at its Meeting held on September 23, 2021 has re-appointed Mr. Iswar Padhan (**DIN**: 03560275) as MD & CEO of the Company to hold office up to September 30, 2022 subject to the approval of Members.

A written Notice pursuant to Section 160 of the Companies Act, 2013, has been received from a member/Director signifying intention to propose Mr. Iswar Padhan (**DIN**: 03560275) as a candidate for the office of Director of the Company.

IDBI Bank vide its email dated September 23, 2020 has advised the remuneration payable to Mr. Iswar Padhan. A copy of the email would be available for inspection if demanded by the Members vide email to cs@idbicapital.com during normal business hours on any working day. Remuneration payable shall be subject to the provisions of the Companies Act, 2013.

Mr. Iswar Padhan (**DIN:** 03560275) being eligible has offered himself for re-appointment as MD & CEO. The Nomination and Remuneration Committee has also recommended the appointment of Mr. Iswar Padhan (**DIN:** 03560275) as MD & CEO to hold office for a period of one year with effect from October 1, 2021 i.e. upto September 30, 2022.

Accordingly, the Board recommends for approval of appointment Mr. Iswar Padhan (**DIN:** 03560275) as Managing Director and CEO of the Company.

Memorandum and Articles of Association and the letter dated September 22, 2021 from IDBI Bank Ltd recommending re-appointment of Mr. Iswar Padhan are available for inspection by the Members during the business hours i.e 11 a.m. to 1 p.m. at the registered office of the Company from Monday to Friday.

Except Mr. Iswar Padhan (**DIN:** 03560275) being an appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5.

Place: Mumbai
Date: October 25, 2021

By the Order of the Board of Directors
IDBI Capital Markets & Securities Limited

Sd/-
Christina D'souza
Company Secretary

Registered Office:
6th Floor, IDBI Tower, WTC Complex,
Cuffe Parade, Mumbai – 400 005.
Tel: 91 22 2217 1700
Fax: 91 22 2215 1787
CIN: U65990MH1993GOI075578
Website: http://www.idbicapital.com
Email: cs@idbicapital.com

Details of Directors seeking appointment/re-appointment as required under Secretarial Standards on General Meetings:

Name	Mr. Rakesh Sharma	Mr. Venkat Nageswar Chalasani	Mr. Iswar Padhan
DIN	06846594	07234179	03560275
Date of Birth	2nd July,1958	11th April,1961	10th July, 1968
Age	63 years	60 years	53 years
Qualifications	Post Graduate in Economics, CAIIB	Science Graduate with PGDJ and CAIIB	Master in Economics & Diplomas in CAIIB, JAIIB and PG Certificate in Productivity Research
Experience	Mr. Rakesh Sharma is Managing Director & Chief Executive Officer of IDBI Bank Ltd. from October 10, 2018. Prior to IDBI Bank assignment, Shri. Sharma superannuated as MD&CEO from Canara Bank after serving from 11.09.2015 to 31.07.2018. While in Canara Bank he also held the position of Chairman in the group companies of Canara Bank. Prior to this, Shri. Sharma was in Lakshmi Vilas Bank Ltd. as MD & CEO and served there for a period from March 07, 2014 till September 09, 2015. Shri. Sharma held the position of Chief General Manager in State Bank of India [SBI] before moving to Lakshmi Vilas Bank Ltd in March 2014. He had more than 33 years' experience in SBI, holding key positions, which included Head of mid corporate accounts in Andhra Pradesh region, supervising retail operations in the States of Rajasthan, Uttarakhand & Western UP, banking operations in International Banking Group, credit assignments in specialized branches/ administrative offices, etc.	Mr. Venkat Nageswar Chalasani retired as Deputy Managing Director, International Banking Group (IBG) of State Bank of India on 30th April 2021. During a span of 37 1/2 years of service in the Bank, Mr. Venkat held various distinguished positions in the Bank pan India and abroad. He worked in all the areas of Banking- Credit, Treasury, Retail, International Banking, Finance, Risk Management etc. As DMD, IBG, Mr. Venkat was overseeing 233 foreign offices spread across 32 countries with balance sheet size more than $ 62 billion. He had held CFO position of the Bank briefly for 6 months as additional charge from Mar 2020 to Sep 2020. Prior to his assignment as DMD (IBG), he was DMD, Global Markets overseeing the largest Banking treasury operations in the country. He is Science Graduate with PGDJ and CAIIB. He attended various senior management training programs at University of Chicago Business Booth school, Euromoney Training, Cambridge University, IIM Calcutta, IIM Bangalore and ISB, Hyderabad. Mr. Venkat is also Public Interest Director National Commodity & Derivatives Exchange Limited and Independent Director of Axis Mutual fund Trustee Limited.	Mr. Iswar Padhan has over 20 years of experience in the banking sector predominantly in Treasury, Retail Banking, Market Risk Management, ALM, FTP and Planning. He has experience in all major market segments viz., Money Market, Fixed Income, Forex, Derivatives and Equity. Mr. Padhan was heading the Bhopal region of IDBI Bank in 2016-18 managing retail banking and representing the Bank in State level Bankers Committee in Madhya Pradesh.

Date of first appointment on Board	21 st February, 2019	31 st May, 2021	1 st October, 2020
Shareholding in the Company	Nil	Nil	Nil
Relationship with other Directors, Manager and Key Managerial Personnel	Nil	Nil	Nil
Number of Board Meetings attended during the year 2020-21	7 of 7	Not applicable	4 of 7
Directorships held in other Companies (except Foreign Companies)	1. IDBI Bank Limited – Managing Director & CEO 2. IDBI Asset Management Limited - Chairman	1. National Commodity and Derivatives Exchange Limited - Public Interest Director 2. Axis Mutual Fund Trustee Limited - Independent Director	Nil
Chairmanship / Membership of Committees of other Companies	**IDBI Bank Limited:** 1. Executive Committee - Chairman 2. Frauds Monitoring Committee - Chairman 3. Customer Service Committee - Chairman 4. Recovery Review Committee -Chairman 5. HR Steering Committee - Chairman 6. Non-Cooperative Borrowers' Review Committee - Chairman 7. Wilful Defaulters' Review Committee - Chairman 8. Corporate Social Responsibility Committee –Chairman 9. Risk Management Committee – Member 10. Information Technology Strategy Committee - Member	**National Commodity and Derivatives Exchange Limited:** 1. Audit Committee - Chairman 2. Risk Management Committee – Member 3. Technology Standing Committee – Member 4. Public Interest Directors Committee – Member 5. Member & Core Settlement Guarantee Fund – Member 6. Capital Raising Committee – Member **Axis Mutual Fund Trustee Ltd:** 1. Audit Committee – Member	Nil
Terms and conditions of appointment/ reappointment	Non-executive Director liable to retire by rotation	Independent Director not liable to retire by rotation for the period of 3 years	Managing Director and CEO for a further period of 1 year upto September 30, 2022 not liable to retire by rotation

To The Members

Your Company's Board of Directors hereby presents its Report on the business and operations of the Company for the year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS & REPORTS

Your Company has achieved gross revenue of Rs. 91.64 crores registering a growth of over 30% compared to previous financial year. The Company has reported a Profit After Tax (PAT) of Rs. 9.11 crores as against a loss of Rs. 10.75 crores in the previous financial year. All business groups of the Company reported operating profit during the year under report.

Slowdown in the economy post pandemic and consequent lockdown kept the Indian markets under pressure especially during the first half of the Financial Year 2020-21. Credit growth has slowed down significantly during the period amid a weak economy.

There was improvement in business activities from about the middle of the Second Quarter and revenue generation started picking up. Both the Equity Indices shown substantial pickup and were trading at all-time highs enabling companies to tap capital markets at higher valuations, for their fund raising plans. In the Equity Capital Market (ECM) segment our Company concluded QIPs for 2 major Banks and 2 IPOs for 2 Companies. Apart from these, Company also completed a few Buy Back and Offer for Sale deals. Investment Banking Group as a whole registered a growth of 45% in revenue as compared to the previous year.

Despite the pandemic situation, the Retail Brokerage revenue of the Company has grown by over 34% in financial year 2020-21 as compared to the previous financial year 2019-20 tracking the reversed transaction volume in equity market.

The financials for the year ended March 31, 2021 with comparative figures for the previous year are presented in the table below:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	(Rs. in lakhs)	
Revenue from Operations	**8325**	**6006**
Other Income	**839**	**1061**
Total Income	**9164**	**7067**
Expenses		
Finance Cost	**115**	**172**
Net Loss on Fair Value Changes	**-**	**400**
Impairment of Financial Instruments	**602**	**673**
Operating expenses	**2326**	**2240**
Employee Benefit Expenses	**3334**	**3246**
Depreciation & Amortisation Expenses	**908**	**913**
Other expenses	**716**	**817**
Total expenses	**8001**	**8461**
Profit/ (Loss) before Exceptional items and Tax	**1163**	**(1394)**
Exceptional Items	**-**	**-**
Profit Before Tax	**1163**	**(1394)**
Total Tax Expenses	252	(319)
Profit / (Loss) for the year	**911**	**(1075)**
Total Other Comprehensive Income	5	(21)
Total Comprehensive Income for the Year	**916**	**(1096)**

2. **COMPANY'S AFFAIRS**

Your Company offers a gamut of Financial Services under one roof. Your Company is registered with the Securities and Exchange Board of India (SEBI) as a Merchant Banker, Stock Broker, Depository Participant, Portfolio Manager and Research Entity. Your Company offers to its clients services ranging from Investment Banking, Corporate Advisory services, Retail and Institutional Stock Broking, distribution of Financial Products, Portfolio Management and Research services, PE Advisory and Debt Capital Market Services.

3. **Transfer to Reserves**

The Board of the Directors of your Company have decided not to transfer any amount to the Reserves for the year under review.

4. **DIVIDENDS**

Your Company has not declared any dividend for the F.Y. 2020-21.

5. **MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED DURING THE END OF FINANCIAL YEAR AND THE DATE OF THE BOARD'S REPORT**

No material changes and commitments, affecting the financial position of the Company have occurred between the end of the financial year of the Company i.e. March 31, 2021 and the date of this Directors' Report.

6. **PARTICULARS OF ASSOCIATE COMPANY**

The Company has one Associate Company namely, IDBI Asset Management Ltd. The Company holds 33.33% of the share capital of IDBI Asset Management Ltd. A Statement containing salient features of the financial statement and all other requisite details of the said Associate Company in the format AOC-1 is appended as **Annexure A.**

7. **FINANCIAL STATEMENTS**

The Financial Statements of your Company for the Financial Year 2020 – 21 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder and applicable Accounting Standards.

8. **ECONOMIC REVIEW**

In FY 2021, the global economy started recovering from the lockdown driven loss of Q4 FY 2020. This was supported by launch of vaccination drives in many countries, opening up of economic activity, monetary and fiscal stimulus. In India, the gross domestic product (GDP) after contractions in H1 FY 2021 moved into positive territory in Q3 FY 2021 (+ 0.4% YoY). High frequency indicators point to the growth momentum gaining strength in Q4 FY 2021. Economic activity in India for H2 FY 2021 turned out to be more resilient than anticipated by the consensus.

During the start of FY 2021, the fiscal position of the central government remained under stress but revenue collections gathered pace in H2 FY 2021, on the back of the pick-up in economic activity. Total GST collections after hitting lows in 1H FY 2021 crossed the previous year's level from September 2020 onwards and in March it also crossed Rs. 1.2 trillion. Inflation receded beginning December 2020 after breaching the upper threshold of 6% for six consecutive months (June-November 2020). However in February 2021, headline inflation firmed up again.

In FY 2021, government launched a lot of reforms and fiscal stimulus proposals under AtmaNirbhar 2.0 and 3.0 schemes. Additionally, it increased capital outlays and launched investment-enhancing proposals in the Union Budget 2021-22 to accelerate public investment. The Union Budget FY 2021 gave an impetus to growth through increased outlays for capital expenditure. Capital expenditure has multiplier effects and its allocation is budgeted to be higher by 26% YoY, while revenue expenditure is budgeted to fall by 2.7% YoY. The Union Budget FY 2022 expected the fiscal deficit to decline to 6.8% of GDP.

As per RBI monetary policy of April 2021, real GDP growth is projected to pick up from -8.0% in FY21 to +10.5% in FY 2022 – with a quarterly growth of +26.2% in Q1, +8.3% in Q2, 5.4% in Q3, and 6.2% in Q4 in FY 2022. As per RBI, there are upside as well as downside risks to the baseline growth path. A faster decline in COVID-19 infections helped by a rapid vaccination drive, large pent-up demand for contact-intensive services, and stronger global demand provide an upside to the baseline growth path. The uncertainty associated with the spread of COVID-19, including new mutants of the virus, deviation of the south-west monsoon from the baseline assumption of a normal monsoon, and elevated crude oil prices and global financial market volatility pose downside risks.

9. INDIAN EQUITY MARKETS DURING F.Y. 2020 – 2021

Indian equity markets delivered a positive robust performance in Financial Year 2021 versus a correction in Financial Year 2020. This was driven by (1) Opening up of economic activity post lockdown from COVID-19, leading to expected pick up in economic growth, (2) Vaccination drive in India and across the world (3) Relief package of Rs. 20 trillion and reforms launched in the year and (4) Surplus liquidity sling with strong FII inflows in the markets and (5) Improvement in general growth prospect for India. BSE SENSEX appreciated by 68% YoY in Financial Year 2021 versus correction of 24% YoY in Financial Year 2020. US Indices appreciated by 60% in financial year 2021.

Foreign Institutional Investors (FIIs) net inflows in Indian market was Rs. 2.76 trillion during 2021 vs net outflows of Rs. 62 billion in Financial Year 2020. DIIs saw net sales of Rs. 1.37 trillion during the year compared to net purchase of Rs. 1.29 trillion in Financial Year 2020.

Amongst indexes, all the indices showed a positive return during Financial Year 2021. Indices which gave better than Sensex return includes Bankex, Capital Goods, Healthcare, IT , Metal, Oil Gas, Power and Telecom,. while the indices where returns were lower than sensex are Auto, Consumer Durable, FMCG and Realty.

Some of the performance indicators of Major BSE Indices are given in tabular form below:-

				Change over last year		**Change over last year's Low**	
	Mar-20	**Mar-21**	**Year's Low**	YoY	%	YoY	%
Sensex	29,468	49,509	27,591	20,041	68.0	21,918	79.4
AUTO	10,255	12,875	9,877	2,621	25.6	2,998	30.4
BANKEX	12,149	21,328	11,969	9,180	75.6	9,359	78.2
CAPITAL GOODS	12,843	26,543	11,781	13,701	106.7	14,762	125.3
CONSUMER DURABLES	972	1,296	932	324	33.4	364	39.1
FMCG	1,316	2,149	1,292	832	63.2	857	66.3
Healthcare	10,746	22,252	10,270	11,506	107.1	11,983	116.7
IT	22,050	37,548	19,754	15,498	70.3	17,794	90.1
METAL	10,979	21,096	10,584	10,116	92.1	10,511	99.3
OIL & GAS	19,363	32,826	17,662	13,463	69.5	15,164	85.9
POWER	5,713	14,351	5,466	8,637	151.2	8,884	162.5
REALTY	10,021	14,820	9,808	4,800	47.9	5,013	51.1
S&P BSE Utilities	1,378	2,475	1,331	1,097	79.6	1,144	85.9
Telecom	1,354	2,670	1,268	1,317	97.3	1,402	110.6

FII & DII Flows (Indian Equity)

	FII (INR Crore)	**DII (INR Crore)**	**FII (USD Mn)**	**DII (USD Mn)**
FY 2020	-6,174	128,969	-445	17,871
FY 2021	276,140	-136,858	37,299	-18,562

10. PERFORMANCE OF THE COMPANY

During the past year, your Company has improved its performance and has made a turnaround with an overall profit. The performance of your Company has been detailed in the paragraphs below:

a) INVESTMENT BANKING

In Financial Year 2021, the Indian Markets witnessed a sharp run up from March 2020 lows – given the abundant liquidity, rollout of COVID-19 vaccines and resumption of business. Retail investors have participated with full fervor in the market rally. Investors were watchful of their spending owing to uncertainty due to the pandemic, resulting in greater liquidity at hand. The S&P BSE Sensex and Nifty50 logged their best financial year performance in a decade and surged 68 per cent and over 70 per cent, respectively in Fy21.

Despite the testing external environment, the Company successfully managed and concluded 2 prestigious equity public issuances during Fiscal 2021 aggregating to Rs. 1,419 crore. These public offerings received an impressive response from the market. Apart from IPOs, the Company also acted as an advisor to the largest ever Rights Issue of over Rs. 50,000 crore and helped 2 Banks raise Rs. 3,500 crore via QIP route including our own IDBI Bank. The Company also handled 8 buyback transactions totaling to nearly Rs. 6,500 crore, demonstrating presence across Capital market transactions.

In the M&A space, your Company was privileged to be advisor to the leading multi-product exchange at GIFT City IFSC. Your company also completed the first stage of fund raising exercise for the Mauritius based multi-product securities exchange. The Company completed two other transactions – advisory service for purchase of 49% equity stake in a asset management company (regulatory approval pending) and the sale of debt of a steel company to an asset reconstruction company.

In the private equity space, your Company was privileged to be an advisor in the two separate universal exchanges in private equity raising mandate including one based in Mauritius - thus making a beginning of global presence in the international space. The other one is based in GIFT city in Gujarat. In addition to these companies, your company has secured prestigious private equity mandate of a small finance bank for raising private equity and augmenting its equity capital base. Also, your company has brought in focus on the certain sectors for private equity fund raising.

b) PORTFOLIO MANAGEMENT SERVICES

The Discretionary Equity Portfolio Management Services rendered by your Company progressed cautiously, with a corpus growing to Rs. 20.04 Crore as at the end of Fiscal 2021.

Your Company also continues to manage funds on the debt side with Assets under Management at the end of the Fiscal 2021 standing at Rs. 6,877.3 Crore. The returns on investments on these Funds during the F.Y. 2020-21 were 7.12% for retirement funds and 5.21% for the surplus funds. The respective benchmarks for the period stood at 5.99% and 4.00%.

c) INSTITUTIONAL EQUITIES

The Institutional Equities business improved during FY 2020-21, mainly on account of the team’s commitment to be in office during COVID lockdown which gave the buy sides more comforts in placing orders, efficiency in execution with normal compliances. The client base was broader while some existing client relationships were deepened. The achieved revenue was higher than the previous year at Rs. 6.59 Crore.

d) RETAIL BROKING

The Retail Brokerage business of your Company has grown by 30% on YOY basis during the year. New client acquisition in Retail Broking grew by 12% in spite of lockdowns at most of the states during the year. During Fiscal 2021, your Company has added over 32,000 new clients in the Retail segment. The Company has improved system capabilities by adding new features to the web trading portal and the Mobile Apps (Android and iOS versions) during the year.

e) **FUND MANAGEMENT AND ADVISORY**

Maharashtra Defence and Aerospace Venture Fund

IDBI Capital Markets & Securities Limited (ICMS) is acting as Investment Manager of Maharashtra Defence & Aerospace Venture Fund ("MDAVF"). MDAVF is SEBI Registered Category II AIF, established with an investment objective to promote sustainable enterprises in the Defence, Aerospace and Allied sectors in the state of Maharashtra. MDAVF would invest in the companies which supply goods or services to defence, aerospace or which manufacture or which supply components for defence / aerospace industry or are strategically important for India. MDAVF strives to generate high returns by investing in a judicious mix of growth investments opportunities and early / start up stage opportunities and is focused to attain the objective of maximizing the return on the investments.

Till date, MDAVF has an aggregate commitment of Rs. 330 Crore (which includes Rs. 300 Crore from MIDC and Rs. 30 Crore from ICMS). MDAVF has committed the Investment of Rs. 147.51 Crore to 8 Companies out of which Investment of Rs. 79.13 Crore has already been made in 5 Companies. In addition to the above the MDAVF also has a Pipeline of Rs. 100+ Crore in 7 companies. Further, the fund has also made its first Partial Exit at an IRR of 20% p.a.

Bharat Ratna Dr. Babasaheb Ambedkar Investment Fund for SC/ST

IDBI Capital Markets & Securities Limited (ICMS) is Advisor to the Bharat Ratna Dr. Babasaheb Ambedkar Fund for SC/ST ("BRBASCST"). The Government of Maharashtra has formulated the policy for Scheduled Castes ("SC") and Scheduled Tribes ("ST") entrepreneurs in the State to make them self-sufficient and financially independent. The scheme is available for manufacturing and services industries set up by SC/ST entrepreneurs. One of the initiatives under the scheme is setting up of an Investment Fund ("BRBASCST) with the primary objective of promoting and providing finance to sustainable enterprises which are fully owned by SC & ST entrepreneurs.

Till date, the fund has an aggregate commitment of Rs. 80 Crore from Department of Industries, Government of Maharashtra. BRBASCST has committed Investment of Rs. 27.75 Crore to 10 companies out of which Investment of Rs. 18.65 crores has already been done in 6 companies.

11. FUTURE PLANS

Your Company continuously endeavours to scale new heights. The turnaround performance in the last year has provided a boost to the morale, and verticals have demonstrated renewed commitment and purpose. The revival of the economy post COVID coupled with ambitious divestment plans of the Government and a booming stock market has opened up avenues which your Company will be keenly exploring for business growth.

12. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR Policy of the Company covers areas across healthcare, education, rural development, livelihood generation and socio economic empowerment.

The CSR Policy of the Company is available on the following web link: http://www.idbicapital.com/cst_page.asp

During the Financial Year 2021, your Company did not fall within the criteria specified under section 135 of the Companies Act, 2013 and hence was not required to mandatorily spend any amounts on CSR activities.

The Report on Corporate Social Responsibility (CSR) as required under the Companies, (Corporate Social Responsibility Policy) Rules, 2014) is annexed to this Report as **Annexure -B.**

13. PREVENTION OF INSIDER TRADING

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has instituted and implemented a Code of Conduct for Trading in Securities by Employees and Directors. The Company periodically monitors trading by its employees and ensures strict compliance with the Regulations.

14. RISK MANAGEMENT

Your Company has adopted a Risk Management Policy which provides an integrated framework for managing risks. The Policy has a holistic approach and encompasses all stages of risk management viz. Identification, Measurement, Management and Control.

The Internal Risk Management Committee of the Company supervises and monitors the Risk Management function of the Company.

15. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

As your Company is not a manufacturing company, there are no particulars to disclose pertaining to Conservation of Energy and Technology Absorption.

Further, the details of foreign exchange earnings and outgo are provided at Note No. 37 in the Notes to the Accounts. Your Company uses information technology extensively in its day-to-day operations

16. CHANGE IN THE NATURE OF BUSINESS, IF ANY;

During the period of review, the Company continued to carry on the business of Investment Banking, Stock broking and Fund Management. There was no adverse change in the nature of its business.

17. DIRECTORS

Your Company's Board of Directors is broad-based and its constitution is governed by the provisions of the Companies Act, 2013 and the Articles of Association of your Company. The Board functions directly as well as through various Board-level Committees constituted to provide focused governance in the important functional areas of your Company.

As on the date of this report, the Board comprises of Six Directors, which includes the Managing Director & CEO and five Non-Executive Directors out of which three are Independent Directors/Directors in Independent Category.

In accordance with the requirements of the Companies Act, 2013 and the Articles of Association of the Company, one of your Directors, viz. Mr. Rakesh Sharma retires by rotation at the ensuing Annual General Meeting.

18. APPOINTMENT AND RESIGNATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL DURING F.Y. 2020 – 21

The following table describes the changes in the Board of Directors & Key Managerial Personnel during F.Y. 2020 – 21.

Name of Directors	DIN	Appointment / Resignation / Cessation	Effective Date
Ms. Uma Shankar	07165728	Appointed as an Additional Director (Independent category)	May 22,2020
Mr. Nagaraj Garla	06983880	Resignation as MD and CEO	October 1,2020
Mr. Iswar Padhan	03560275	Appointment as MD and CEO	October 1,2020
Mr. Ashwani Kumar	02870681	Resignation	November 9,2020

Mr. Venkat Nageswar Chalasani was appointed as an Additional Director (Independent Category) on May 31, 2021.

19. BOARD MEETINGS AND ATTENDANCE OF DIRECTORS

During the financial year 2020 – 21, 7 (Seven) meetings of the Board of Directors were held.
Details of the attendance of Directors are given below:

Sr. No.	Date of Meeting	Number of Directors Present	Number of Directors to whom Leave of absence was granted
1.	May 22,2020	6/6	0
2.	July 24,2020	5/6	1
3.	September 23,2020	6/6	0
4.	October 20,2020	6/6	0
5.	December 22,2020	5/5	0
6.	January 25,2021	4/5	1
7.	March 19,2021	5/5	0

20. INDEPENDENT DIRECTORS

Pursuant to Section 149(4) of the Companies Act, 2013 read with Rule 4 of The Companies (Appointment and Qualifications of Directors) Rules, 2014, your Company is required to have minimum two Independent Directors.

As on March 31, 2021, your Company had the following 2 (Two) Independent Directors:

Sr. No.	Name of the Independent Director	DIN
1.	Ms. Lalitha Rameswaran	02326309
2.	Ms. Uma Shankar	07165728

All the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

The Independent Directors of the Company met the criteria of 'independence' prescribed under section 149(6) of the Companies Act, 2013 and have also submitted a declaration to that effect.

Further, Mr. Venkat Nageswar Chalasani was appointed as an Additional Director (Independent Category) w.e.f 31st May, 2021 and Mr. Ashwani Kumar ceased to be an Independent Director of the Company w.e.f. 9th November, 2020 on account of resignation.

21. COMMITTEES OF THE BOARD

The Board has 3 Committees to oversee various functional aspects of your Company's business and operations:

- Audit Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee

A) Audit Committee

The Audit Committee of the Board (ACB) provides direction, monitors the functioning of the Internal Auditors, reviews financial statements and recommends appointment of auditors and their remuneration. The names of the members of the Audit Committee as on March 31, 2021 are as under:

Sr. No.	Name of the Independent Director	Status
1.	Ms. Lalitha Rameswaran	Chairperson of the Committee
2.	Ms. Uma Shankar	Member
3.	Mr. Samuel Joseph J.	Member

Mr. Ashwani Kumar ceased to be Member of the Audit Committee w.e.f. 9th November, 2020 on account of resignation from the Board of Directors.

Ms. Uma Shankar has been inducted as a Member of the Committee w.e.f. 15th December, 2020.

Dates & Attendance of Directors at Meetings of ACB held during F.Y. 2020 – 21

During the financial year 2020 – 21, 7 (seven) meetings of the Audit Committee of the Board were held.

Details of attendance of the Committee Members are given herein below:

Sr. No.	Date of Meeting	Number of Directors Present	Number of Directors to whom Leave of absence was granted
1.	May 22, 2020	3/3	0
2.	July 23, 2020	3/3	0
3.	September 23, 2020	3/3	0
4.	October 20, 2020	3/3	0
5.	December 22, 2020	3/3	0
6.	January 25, 2021	2/3	1
7.	March 19, 2021	3/3	0

B) Nomination and Remuneration Committee (NRC)

The Nomination and Remuneration Committee of the Board was constituted as per the provisions of section 178 and other applicable provisions of the Companies Act, 2013. As on March 31, 2021 it comprised of three members who are appointed by your Board.

The names of the members of the Nomination and Remuneration Committee as on March 31, 2021 are as under:

Sr. No.	Name of the Independent Director	Status
1.	Ms. Uma Shankar	Chairperson of the Committee
2.	Ms. Lalitha Rameswaran	Member
3.	Mr. Samuel Joseph J.	Member

Mr. Ashwani Kumar ceased to be Chairman and Member of the Committee w.e.f. 9th November, 2020 on account of resignation from the Board of Directors.

Ms. Uma Shankar has been inducted as a Chairperson and Member of the Committee w.e.f. 15th December, 2020. Ms. Uma Shankar ceased to be Chairperson and Member of the Committee w.e.f. 23rd July, 2021.

Mr. Venkat Nageswar Chalasani has been inducted as a Chairman and Member of the Committee w.e.f. 23rd July, 2021.

Dates & Attendance of Directors at Meetings of NRC held during FY 2020-21

During the financial year 2020-21, 3 (three) meetings of the Nomination and Remuneration Committee of the Board were held. Details of attendance of the Committee Members are given herein below:

Sr. No.	Date of Meeting	Number of Directors Present	Number of Directors to whom Leave of absence was granted
1.	May 20,2020	3/3	0
2.	September 23,2020	3/3	0
3.	March 19, 2021	3/3	0

C) *Corporate Social Responsibility (CSR) Committee*

The Corporate Social Responsibility Committee of the Board (CSR) was constituted as per the provisions of section 135 and other applicable provisions of the Companies Act, 2013. As on March 31, 2021, the CSR Committee comprised of three members appointed by your Board.

The names of the members of the CSR Committee as on March 31, 2021 are as under:

Sr. No.	Name of the Director	Status
1.	Ms. Uma Shankar	Chairperson of the Committee
2.	Ms. Lalitha Rameswaran	Member
3.	Mr. Iswar Padhan (MD & CEO)	Member

Mr. Ashwani Kumar ceased to be Chairman and Member of the Committee w.e.f. 9th November, 2020 on account of resignation from the Board of Directors.

Ms. Uma Shankar has been inducted as a Chairperson and Member of the Committee w.e.f. 15th December, 2020.

Ms. Lalitha Rameswaran ceased to be Member of the Committee w.e.f. 23rd July, 2021.

Mr. Venkat Nageswar Chalasani has been inducted as a Member of the Committee w.e.f. 23rd July, 2021.

The Committee provides advice, directions and monitors the functioning of the CSR activities of the Company as per the Companies Act, 2013.

Dates & Attendance of Directors at Meetings of CSR Committee held during F.Y. 2020 – 21

During the Financial Year 2020 – 21, 1 (one) meeting of the CSR Committee of the Board was held.

Details of attendance of the Committee Members are given herein below: -

Sr. No.	Date of Meeting	Number of Directors Present	Number of Directors to whom Leave of absence was granted
1.	September 23,2020	3/3	0

22. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board has adopted Directors' Appointment and Evaluation Policy in terms of Section 178(3) and (4) of the Companies Act, 2013, describing the criteria for determining the qualifications, positive attributes and Independence of a Director, Review and Evaluation of the performance of Directors etc.

The Company also has a Remuneration Policy for Directors, Key Managerial Personnel and other employees.

The key features of the Policies are given hereunder:

1. DETAILS OF DIRECTORS APPOINTMENT AND EVALUATION POLICY

Mode of Appointment of Directors

(1) Directors shall be appointed either by the Board or by Shareholders in a General Meeting.

(2) The MD & CEO may be nominated by IDBI Bank Ltd and may be on deputation from IDBI Bank Ltd or as advised by IDBI Bank Ltd or may be selected from the market based on criteria specified by the Board from time to time. Such appointment shall be subject to approval by the Company's Board of Directors.

(3) (a) The non-rotational Independent Directors to be identified by the Board of Directors shall be appointed by the shareholders at the General Meeting. While identifying the persons to be appointed as Independent Directors, the Board will ensure that such persons possess the qualifications prescribed under Section 149(6) of the Companies Act, 2013 and are also not disqualified to be a Director under the relevant provisions of the Companies Act, 2013.

(b) An Independent Director can hold office only for two consecutive terms, not exceeding a period of five years each. The appointment of the Director for the second terns is subject to the approval based on a Special resolution passed at the General Meeting. Further, an Independent Director who has served two consecutive terms, if otherwise eligible, may be considered for reappointment only after completion of a three year cooling period from the date of his retirement.

(c) The vacancy of an Independent Director shall be filled up by the Board at the earliest but not later than immediate next Board Meeting or 3 months from the date of such vacancy, whichever is later.

(d) After approval of Independent Directors' appointment, a formal appointment letter with contents prescribed under Schedule IV of the Companies Act, 2013 will be issued to the Independent Directors so appointed.

Qualification of Directors

1. The candidates to be appointed on the Board should possess relevant experience as deemed fit by the Board in order to be able to guide the management of the Company.
2. Directors should not be disqualified in terms of section 164 of the Companies Act.
3. Directors should have leadership and management experience.

Positive Attributes of Directors

Directors appointed on the Board should inter alia have the following positive attributes:

1. Highest levels of personal and professional ethical standards and honesty.
2. Vision, imagination and foresight
3. Good interpersonal skills and the ability to communicate clearly
4. Strategic perspective and the ability to identify opportunities and threats
5. Commitment to the mission of the Company
6. Critical analysis and judgment
7. Motivation to achieve objectives and make an impact

Independence of Directors

Independent Directors should possess the criteria for independence as stated in section 149(6) of the Companies Act, 2013.

Independent Directors shall submit a declaration to the Company stating that they meet the prescribed criteria for independence. Further in case the Director fails to meet the criteria of Independence, such Director shall immediately inform the Company of such event.

Independent Directors shall abide by the Code for Independent Directors as stated in Schedule IV of the Companies Act, 2013.

Appointment of Senior Management Personnel

"Senior Management" 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 Board of Directors, including the functional heads.

Senior Management Personnel shall be appointed in accordance with the HR Policy of the Company or may be appointed on deputation from IDBI Bank Limited.

The Senior Management Personnel shall possess qualifications and/or experience relevant to their functions.

Performance Evaluation of Directors by the Board

(i) In terms of the provisions of Schedule IV (Para VIII) and Section 134of the Companies Act, 2013, performance evaluation of the Independent Directors and all other individual directors shall be done annually by the Board of Directors in the last month of the Financial Year.

(ii) On the basis of the performance evaluation, it will be determined whether to extend or continue the term of appointment of Independent Directors.

(iii) The performance evaluation of individual directors by the Board shall be done on the evaluation sheet as per the format given at Annexure I to this policy.

Performance Review of Non Independent Directors and the Chairperson by Independent Directors

(i) In terms of the provisions of Schedule IV (Para VII) of the Companies Act, 2013, Independent Directors shall hold an Annual Meeting in a year without the attendance of Non Independent Directors and members of the Management for the following purpose:
   a. review the performance of the non independent directors and the Board as a whole
   b. review the performance of the Chairperson of the Company, taking into account the views of the Executive Directors and Non-Executive Directors.
   c. assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively perform its functions.

ii) The performance review of Non Independent Directors by Independent Directors shall be done on the review sheet as per the format given at Annexure II and that of Chairperson of the Company will be done on the format given at Annexure III.

Performance Evaluation of the Board as a whole and Committees of the Board:

The Board shall evaluate its own performance as per the format given at Annexure- IV and that of its Committee as per the Annexure- V, VI and VII.

2. **DETAILS OF REMUNERATION POLICY**

Directors' Remuneration

The Managing Director and CEO of the Company may be appointed based on the recommendations and nomination of the parent company i.e. IDBI Bank Ltd or may be selected from the market based on criteria specified by the Board from time to time. The pay scales and Remuneration structure would be as decided by IDBI Bank Ltd or as approved by the Board/Shareholders from time to time. Provided that the same shall be subject to the applicable provisions of the Companies Act, 2013 and rules made thereunder.

Further, in terms of Article 128 of the Articles of Association of the Company, if any Director, is called upon to perform extra services or special exertion or efforts, the Board may arrange with such Director for such special remuneration for such special services or special exertions or efforts either by a fixed sum otherwise as may be determined by the Board and subject to the provisions of the Act.

Apart from the above, no other Remuneration would be payable to any other Director on the Board of IDBI Capital except the payment of sitting fees to Directors as may be determined by the Board from time to time. These rates shall be subject to the ceilings prescribed by the Act and or Rules made thereunder from time to time. Apart from the sitting fees, the expenses on Travel, Transportation and Stay of Directors attending the Board and Board Committee Meetings would be borne or reimbursed by IDBI Capital.

Remuneration of Key Managerial Personnel

In terms of section 2(51) of the Companies Act, 2013, Key Managerial Personnel, in relation to the company means:'

(i) The CEO or Managing Director or the Manager;

(ii) The Whole Time Director;

(iii) The Company Secretary;

(iv) The Chief Financial Officer (CFO);

(v) Such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and

(vi) Such other officer as may be prescribed

The provisions related to remuneration for the Managing Director and CEO of the Company is covered under Para II of this Policy. As regards CFO and the Company Secretary, the positions are held by employees of the Company and their Pay Scales and Remuneration structure would be determined in line with the HR Policy of the Company.

Remuneration of Key Managerial Personnel and Employees

The Pay Scales and Remuneration structure of Employees of the Company would be finalized by the Company, in accordance with the HR Policy of the Company and would be market driven and based on the overall evaluation of the candidate on various criteria like position, roles and responsibility, qualifications, experience, suitability to the organization etc. as assessed by the Company..

Further, Remuneration structure to Officers on deputation from IDBI Bank Ltd (other than the Managing Director & CEO) would be as advised by IDBI Bank Ltd from time to time and would be reimbursed to IDBI Bank Ltd upon receipt of intimation from IDBI Bank.

23. STATEMENT INDICATING THE MANNER OF FORMAL ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

In terms of Section 134(3) (p) of the Companies Act, 2013 read with Rule 8(4) of the Companies (Accounts) Rules, 2014, the details on the captioned matter are furnished herein below:

(i) Independent Directors, at their meeting held on March 19, 2021 evaluated the performance of all Non-Independent Directors including the Chairman of the Board as well as the performance of the Board as a whole.
(ii) The Board at its meeting held on March 19, 2021 evaluated the performance of all Directors on the Board, its own performance as well as the performance of Committees of the Board.

The feedback of the Directors was sought by way of a structured questionnaire which covered the functions and performance of Directors. The Directors were satisfied with the evaluation conducted. The Director concerned being evaluated by the Board, did not participate in the meeting during the process of his/her own evaluation.

24. STATUTORY AUDITORS

Your Company falls within the purview of the provisions of Section 139 (5) of the Companies Act, 2013. Statutory Auditors are therefore appointed by the Comptroller and Auditor General of India. M/s. Shah Gupta & Co., Chartered Accountants, Mumbai, were appointed as Statutory Auditors for the F.Y. 2020 - 2021.

25. COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA

Comments of the Comptroller & Auditor General of India of the Companies Act, 2013 as per report dated August 12, 2021 submitted under section 143 of the Companies Act, 2013 on the accounts of the Company. The CAG has decided not to conduct the supplementary audit of the financial statements and has inter-alia advised as follows:

“On behalf of the Comptroller & Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of IDBI Capital Markets & Securities Ltd. for the year ended 31st March, 2021 under section 143(6) (a) of the Act.”

26. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has adhered to the following secretarial standards:-

SS1- Secretarial standards on Board Meeting
SS2- Secretarial standards on General Meeting
SS4- Secretarial standards on Report of Board of Directors

27. SECRETARIAL AUDIT

In terms of the provisions of Section 204 of the Companies Act, 2013, M/s. Alwyn Jay & Co., Company Secretaries have been appointed as Secretarial Auditors of your Company. The Secretarial Audit Report dated September 23, 2021, is annexed to the Board’s Report. The Secretarial Audit Report of the Company submitted by the Secretarial Auditors M/s. Alwyn Jay & Co. does not contain any adverse remark.

28. EXTRACT OF THE ANNUAL RETURN:

Pursuant to section 134(3)(a), the extract of the Annual Return as provided under section 92(3) of the Companies Act, 2013 is annexed herewith in Form No. MGT-9 as **Annexure-C.**

29. INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY:

The Company has established and maintained adequate internal financial controls with reference to financial statements. Such controls have been designed to provide reasonable assurance with regard to providing reliable financial and operational information. During the financial year 2020-21, such controls were operating effectively and no material weaknesses were observed.

30. DETAILS OF FRAUD, IF ANY

There has been one instance of fraud aggregating to Rs. 25,65,913.46 identified by the Company during the period 01-Apr-2020 to 31-03-2021 wherein unauthorized transactions were executed by an employee during the period resulting in fraudulent transactions by way of modifications to customer Banking details and deleting trade entries from the customer ledger. The entire amount has been recovered from the concerned employee by the Company and disciplinary action has been taken against the employee as per policy. The incident of fraud has been reported as per regulatory guidelines and suitable improvements in systems and control weaknesses has been put in place.

31. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

In line with the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has necessary policies on prohibition of sexual harassment at workplace and has constituted an Internal Committee as required under the Act. There were no cases filed with regards to allegations of sexual harassment by any employee including visitors or other non-employee during the financial year ended March 31, 2021.

32. PUBLIC DEPOSITS

Your Company has not invited/accepted any deposits, from the public/shareholders.

33. BOARD'S COMMENTS ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITORS OR SECRETARIAL AUDITORS IN THEIR REPORT:

There are no qualifications, reservation or adverse remarks or disclaimers either in the Statutory Auditors' Report, Reports of the Comptroller and Auditor General of India or in the Secretarial Auditors' Report which require the Board's comments thereon in terms of Section 134(3)(f) of the Companies Act, 2013.

34. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company has not given/taken any Loans, Guarantees under Section 186 of the Companies Act, 2013.

35. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES ON THE PRESCRIBED FORM

In terms of Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements if any, with Related Parties are given in the prescribed Form AOC -2 forming part of this Report as **Annexure – D.**

36. WHISTLE BLOWERS POLICY

The Company has established a Whistle Blower Policy for Directors and Employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. As a requirement of Code of Conduct, all stake-holders are provided access to Whistle Blower mechanism.

37. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors including audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2020-21.

Accordingly, pursuant to the provisions of Section 134(5) of the Act, your Directors, to the best of their knowledge and belief and according to information and explanation obtained by them, confirm that:

- In the preparation of annual accounts, the applicable accounting standards have been followed
- Appropriate accounting policies have been selected and applied consistently, and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial

year and of the profit of the Company for that period;

- Sufficient and proper care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Company's assets and for preventing and detecting fraud and other irregularities; and
- Annual accounts have been prepared on a going concern basis.
- The internal financial controls as laid dawn are adequate and were operating effectively.
- Proper system has been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

38. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS WHICH IMPACTS THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

During the period under review, there are no orders passed by the Regulators or Courts or Tribunals against the Company impacting its status as a going concern and its operations.

39. ACKNOWLEDGMENTS

Your Directors are thankful to the Company's retail, institutional and corporate clients, Banks, Financial Institutions, Foreign Institutional Investors, Mutual Funds, and others for their continued patronage and association.

Your Directors are thankful to IDBI Bank Ltd. for the support and co-operation extended and RBI, SEBI, NSE, BSE, NSDL, CDSL and the Company's bankers for their continued support. Finally the Directors appreciate the noteworthy contribution made by the employees of the Company.

On behalf of the Board of Directors of IDBI Capital Markets & Securities Ltd.

Sd/-
Iswar Padhan
Managing Director and CEO
DIN: 03560275

Sd/-
Rakesh Sharma
Chairman
DIN: 06846594

Date: September 23, 2021
Place: Mumbai

ANNEXURE 'A' TO BOARD'S REPORT

Form AOC-I

(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures.

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1.	CIN	**NOT APPLICABLE**
2.	Name of the subsidiary	
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
5.	Share capital	
6.	Reserves & surplus	
7.	Total assets	
8.	Total Liabilities	
9.	Investments	
10.	Turnover	
11.	Profit before taxation	
12.	Provision for taxation	
13.	Profit after taxation	
14.	Proposed Dividend	
15.	% of shareholding	
	Note:	
	1. Names of subsidiaries which are yet to commence operations	N.A.
	2. Names of subsidiaries which have been liquidated or sold during the year.	N.A.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures		IDBI ASSET MANAGEMENT LIMITED (ASSOCIATE COMPANY)
1.	Latest audited Balance Sheet Date	March 31, 2021
2.	Shares of Associate held by the company on the year end	
	Number of Equity Shares	66660000
	Amount of Investment in Associates (Rs. in lacs)	6666
	Extent of Holding %	33.33%
3.	Description of how there is significant influence	The Company has significant influence through holding more than 20% of the Equity Shares in the investee company in terms of Accounting Standards 23 issued by ICAI
4.	Reason why the associate is not Consolidated	Exemption under MCA notification dated July 27, 2016- Companies (Accounts) Amendment Rules , 2016
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (Rs. in lacs)	N.A
6.	Profit / Loss for the year (Rs. in lacs)	N.A
	i. Considered in Consolidation	N.A
	ii. Not Considered in Consolidation	N.A
	Note:	
	1. Names of associates which are yet to commence operations.	N.A
	2. Names of associates which have been liquidated or sold during the year.	N.A

For and on behalf of the Board

Sd/-
Iswar Padhan
Managing Director and CEO
DIN: 03560275

Sd/-
Rakesh Sharma
Chairman
DIN: 06846594

Sd/-
Christina D'souza
Company Secretary

Sd/-
V. Gopinath
Chief Financial Officer

Place: Mumbai
Date: May 31, 2021

ANNEXURE 'B' TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

{Pursuant to Section 135 of the Companies Act 2013}

1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes:

The key areas identified under the CSR Policy for making strategic interventions are rural infrastructure, social empowerment, education, environment, community welfare, healthcare, etc. These include, but are not limited to, collaborative long-term funding for projects designed to promote income-generating activities for tribal and the underprivileged, particularly women, across various states; infrastructure support to schools & youth training centers, rural electrification through solar street lights; financial aid for socio-economic empowerment of the blind, disabled and other under-privileged sections of society.

During the FY 2021, your Company did not meet the criteria specified under section 135 of the Companies Act, 2013 and hence was not required to mandatorily spend any amounts on CSR activities.

2. Composition of the CSR Committee as on March 31, 2021:

The Corporate Social Responsibility Committee of the Board (CSR) was constituted as per the provision of the section 135 and other applicable provisions of the Companies Act, 2013. It comprises of four members who are appointed by the Board. The names of the members of the CSR Committee as on March 31, 2021 are as under:

Sr. No.	Name of Director	DIN	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Ms. Uma Shankar*	07165728	Chairperson (Independent Director)	1	0
2.	Ms. Lalitha Rameswaran	02326309	Member (Independent Director)	1	1
3.	Mr. Iswar Padhan	03560275	Member (MD & CEO)	1	0

*Ms. Uma Shankar was inducted as Chairperson and Member of the Committee w.e.f. 15th December 2020.

@ Mr. Iswar Padhan was appointed as MD & CEO of the Company w.e.f. 01st October 2020.

Ms. Lalitha Rameswaran ceased to be a Member of the Committee w.e.f. 23rd July 2021.

Mr. Venkat Nageswar Chalasani was inducted as Member of the Committee w.e.f. 23rd July 2021.

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

https://idbicapital.com/csr_page.asp

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014:

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable

6. Average net profit of the Company for last three financial years:

As the Net profit of the Company in the immediate preceding financial year (i.e. FY 19-20) was less than Rs. 5 Crores, the Company did not fall under any criteria given in sec 135(1) of Companies Act 2013. The Company was hence not required to spend any funds towards CSR activities during the Financial Year 2020-21.

7.

(a)	Two percent of average net profit of the company as per section 135 (5)	As the Net profit of the Company in the immediate preceding financial year (i.e. FY 19-20) was less than Rs. 5 Crores, the Company did not fall under any criteria given in Sec 135(1) of Companies Act 2013. The Company was hence not required to spend any funds towards CSR activities during the Financial Year 2020-21.
(b)	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	
(c)	Amount required to be set off for the financial year, if any	
(d)	Total CSR obligation for the financial year (7a+7b-7c)	

8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount	Date of transfer.
3,00,000/-	Not applicable		Contribution to the PM Cares Fund	2,00,000/-	30.03.2021
			Contribution to the Maharashtra State Disaster Management Authority for COVID 19 relief	1,00,000/-	31.03.2021

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil
(c) Details of CSR amount spent against other than ongoing projects for the financial year: 3 Lakhs
(d) Amount spent in Administrative Overheads: Nil
(e) Amount spent on Impact Assessment, if applicable: Nil
(f) Total amount spent for the Financial Year (8b+8c+8d+8e): 3 lakhs (Bifurcation as below)

Sr. No.	Particulars	Amount (in Rupees)
1	Contribution to the PM Cares Fund	2,00,000/-
2	Contribution to the Maharashtra State Disaster Management Authority	1,00,000/-
TOTAL		3,00,000/-

(g) Excess amount for set off, if any - Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not applicable
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(a)	Date of creation or acquisition of the capital asset(s)	Not Applicable
(b)	Amount of CSR spent for creation or acquisition of capital asset	Not Applicable
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d)	Details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11. In case the Company has failed to spend the 2% of the average net profits of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report - Not Applicable

As the Net Profit in the immediately preceding financial year (i.e. FY 19-20) was less than 5 crores, therefore Company does not satisfy any criteria given in section 135(1) of the Companies Act, 2013.

In view of the above, the Company was not required to mandatorily spend any amount on CSR Activities.

Sd/-
Iswar Padhan
Managing Director and CEO
DIN: 03560275

Sd/-
Uma Shankar
Chairperson of CSR Committee
DIN: 07165728

Date: September 23, 2021

Annexure C

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2018
{Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014}

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U65990MH1993GOI075578
2.	Registration Date	14th December, 1993
3.	Name of the Company	IDBI CAPITAL MARKETS & SECURITIES LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	6th Foor ,IDBI Tower, WTC Complex, Cuffe Parade, Colaba, Mumbai-400 005 TEL: +91-22-4322 1212 FAX: +91-22-2215 1787 EMAIL : info@idbicapital.com Website: www.idbicapital.com
6.	Whether listed company yes/no	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NSDL Database Management Limited 4th floor, Trade World, A Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 Board Line – 0224914 2700

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Brokerage Commission and the fees	6612	91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NAMEAND ADDRESSOF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	%of shares held	Applicable Section
1	IDBI BANK LIMITED	L65190MH2004GOI148838	HOLDING	100%	2(46)
2.	IDBI ASSET MANAGEMENT LTD.	U65100MH2010PLC199319	ASSOCIATE	33.33%	2(6)

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 31-March-2020]				No. of Shares held at the end of the year [As on 31-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-		-	-	-		-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	128099994	6	128100000	100%	128099994	6	128100000	100%	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):	**128099994**	**6**	**128100000**	**100%**	**128099994**	**6**	**128100000**	**100%**	**-**
(2) Foreign									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b)Other–Individuals	-	-	-	-	-	-	-	-	-
c)Bodies Corp.	-	-	-	-	-	-	-	-	-
d)Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of promoters (A)=(A)(1)+(A)(2)	**128099994**	**6**	**128100000**	**100%**	**128099994**	**6**	**128100000**	**100%**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-		-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-		--	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-		-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Directors and their relatives resident	-	-	-	-	-	-	-	-	-
Non-Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	--
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
NRI DR	-	-	-	-	--	-	-	-	-
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	128099994	6	128100000	100%	128099994	6	128100000	100%	-

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 Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	IDBI Bank Ltd	128100000	100%	0	128100000	100%		0

iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NO CHANGE			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
3.	At the end of the year				

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	NOT APPLICABLE			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3.	At the end of the year				

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

Directors and Key Managerial Personnel do not hold any share in the Company.

V) INDEBTEDNESS –

Loan outstanding as on March 31, 2021 – Rs. 9.51 CR
Bank guarantee as on March 31, 2021 – Nil

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager per Annum (FY 20-21):

Particulars of Remuneration	Name of MD / WTD / Manager		Total Amount (In Rs.)
	Mr. Nagaraj Garla* MD & CEO DIN: 06983880	Mr. Iswar Padhan@ MD & CEO DIN: 03560275	
Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Including Pension)	17,89,134/-	19,57,613/-	37,46,747/-
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	5,20,276/-	4,03,020/-	9,23,296/-
(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0/-	0/-	0/-
Stock Option	0/-	0/-	0/-
Sweat Equity	0/-	0/-	0/-
Commission - as % of profit - others, specify...	0/-	0/-	0/-
Others, please specify	0/-	0/-	0/-
Total (A)	**23,09,410/-**	**23,60,633/-**	**46,70,043/-**

Accommodation separately provided by IDBI Bank and reimbursed by the Company.
* Mr. Nagaraj Garla resigned as MD & CEO of the Company w.e.f 01.10.2020.
@ Mr. Iswar Padhan appointed as MD & CEO of the Company w.e.f. 01.10.2020.

B. Remuneration to other directors

Sr. No.	Particulars	Name of the Directors			Total amount
1	**Independent Directors**	**Ms. Uma Shankar**	**Ms. Lalitha Rameswaran**	**Mr. Ashwani Kumar**	
	Fee for attending board committee meetings	3,90,000/-	5,35,000/-	3,15,000/-	12,40,000/-
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	**3,90,000/-**	**5,35,000/-**	**3,15,000/-**	**12,40,000/-**
	Other Non-Executive Directors	**Mr. Rakesh Sharma - Chairman (IDBI Bank)**	**Mr. Samuel Joseph (IDBI Bank)**	**-**	
	Fee for attending board committee meetings	3,50,000/-	3,80,000/-	-	**7,30,000/-**
	Commission	Nil	Nil	-	Nil
	Others, please specify	Nil	Nil	-	Nil
	Total (1)	**3,50,000/-**	**3,80,000/-**	-	**7,30,000/-**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. V Gopinath (CFO)	Ms. Christina D'souza (Company Secretary & Compliance officer)	Total Amt. (in Rs.)
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	**35,71,608/-**	**22,39,872/-**	**58,11,480/-**
	Total	**35,71,608/-**	**22,39,872/-**	**58,11,480/-**
	(b) Value of perquisites u/s	4,82,954/-	0/-	4,82,954/-
	17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0/-	0/-	0/-
	Stock Option	0/-	0/-	0/-
	Sweat Equity	0/-	0/-	0/-
	Commission	0/-	0/-	0/-
	- as % of profit	0/-	0/-	0/-
	Others specify…	1,50,853/-	0/-	1,50,853/-
	Others, please specify	0/-	0/-	0/-
	Total	**42,06,415/-**	**22,39,872/-**	**64,46,287/-**

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			**Nil**		
Punishment			**Nil**		
Compounding			**Nil**		
B. DIRECTORS					
Penalty			**Nil**		
Punishment			**Nil**		
Compounding			**Nil**		
C. OTHER OFFICERS IN DEFAULT					
Penalty			**Nil**		
Punishment			**Nil**		
Compounding			**Nil**		

Sd/-
Iswar Padhan
Managing Director and CEO
DIN: 03560275

Sd/-
Rakesh Sharma
Chairman
DIN: 06846594

Date: September 23, 2021
Place: Mumbai

Annexure – D to Board's Report

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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis for F.Y. 2020 - 2021.

1) Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/ transaction	Duration of the contracts/arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions'	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
Nil							

2. Details of contracts or arrangements or transactions at Arm's length basis for F.Y. 2020 - 2021.

Name (s) of the related party & nature of relationship	Nature of contracts/arrangements/transaction	Duration of the contracts/arrangements/transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
Nil					

Sd/-
Iswar Padhan
Managing Director and CEO
DIN: 03560275

Sd/-
Rakesh Sharma
Chairman
DIN: 06846594

Date: September 23, 2021
Place: Mumbai

FORM NO. MR.3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
IDBI Capital Markets & Securities Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IDBI Capital Markets & Securities Limited** (CIN - U65990MH1993GOI075578) (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances to express our opinion thereon.

Based on our verification of the Company's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Company and the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has followed proper Board-processes and have required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2021,** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder for compliance in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **as applicable;**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), **as amended from time to time**:-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 – **Not Applicable to the Company;**
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable to the Company;**
d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **- Not Applicable to the Company;**
e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **- Not Applicable to the Company;**
f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **- Not Applicable to the Company;**
g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **- Not Applicable to the Company;**
h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **- Not Applicable to the Company;**
i) The Securities and Exchange Board of India (Issue and Listing of Non- Convertible and Redeemable Preference Shares) Regulations, 2013 **- Not applicable to the Company;**
j) The Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992;
k) The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992;
l) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;
m) The Securities and Exchange Board of India (Underwriters) Regulations, 1993;
n) The Securities and Exchange Board of India (Research Analysts) Regulations, 2014;
o) The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018;

(vi) The Company has complied with the provisions of the applicable general laws, rules, regulations and guidelines.

We have also examined compliance of the following to the extent applicable:

(a) the Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India; and
(b) SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 – **Not Applicable to the Company.**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

We further report that –

(a) The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
(b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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;
(c) The minutes of the Board meetings and Committee Meetings have not identified any dissent by members of the Board /Committee of the Board, respectively hence we have no reason to believe that the decisions by the Board were not approved by all the directors present; and

We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period no specific events /actions have taken place that have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards

Place :Mumbai
Date :23rd September, 2021

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

ALWYN JAY & Co.
Company Secretaries

Sd/-
[Jay D'Souza FCS.3058]
(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058C000993597]

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure A

To
The Members,
IDBI Capital Markets & Securities Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **IDBI Capital Markets & Securities Limited** (hereinafter called 'the Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. Further, the verification was done on the basis of electronic data provided to us by the Company due to COVID-19 lockdown and on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Wherever required, we have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and major events during the audit period.

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.

Place :Mumbai
Date :23rd September, 2021

Office Address :
Annex-103, Dimple Arcade,
Asha Nagar, Kandivali (East),
Mumbai 400101.

ALWYN JAY & Co.
Company Secretaries

Sd/-
[Jay D'Souza FCS.3058]
(Partner)
[Certificate of Practice No.6915]
[UDIN : F003058C000993597]

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IDBI CAPITAL MARKETS & SECURITIES LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of IDBI Capital Markets & Securities Limited for the year ended 31 March 2021 in accordance with the financial repo1ting 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(I0) of the Act. This is stated to have been done by them vide their Audit Report dated 31 May 2021.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of IDBI Capital Markets & Securities Limited for the year ended 31 March 2021 under section l 43(6)(a) of the Act.

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

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

Place: Mumbai
Date: 12.08.2021

To the Members of IDBI Capital Markets & Securities Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of IDBI Capital Markets & Securities Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2021, and the standalone statement of Profit and Loss (including other comprehensive income), standalone statement of cash flows and standalone statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under sub-section (10) of Section 143 of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in sub-section (5) of Section 134 of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under clause (i) of sub-section (3) of Section 143 of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by sub-section (3) of Section 143 of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The standalone balance sheet, the standalone statement of profit and loss including other comprehensive income, the standalone statement of cash flow and the standalone statement of changes in equity dealt with by this report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e. On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of sub-section (2) of Section 164 of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g. In our opinion and according to information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule (11) of the Companies (Audit and Auditors) Rules, 2015, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 35 of the standalone financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

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

3. As required by sub-section (5) of Section 143 of the Act and in terms of directions issued by the Comptroller and Auditor General of India during the course of audit of annual accounts of IDBI Capital Markets & Securities Limited, we report that:

   a. *Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.*

   During the financial year 2019-20, pursuant to the notification dated March 30, 2016 issued by the Ministry of Corporate Affairs for applicability of Indian Accounting Standards ('Ind AS') to Non-banking Financial Companies, the Company's books of account have been converged by applying principles of the Companies (Indian Accounting

Standards) Rules, 2015 ('Ind AS'). Transition to the Ind AS has impact on various accounting and operational functions. This requires design of appropriate controls in operational procedure as well as IT systems. Accordingly, we recommend design for controls in operational procedure and IT controls in respect of following:

- Generation of Trial Balance as per new accounting presentation framework (i.e. Ind AS) through IT System.

- Various calculations in accordance with the requirements of Ind AS such as amortised cost using effective interest rate, fair value of financial instruments and computation of expected credit loss (ECL) matrix needs to be processed through IT System

Presently, said workings have been maintained manually and verified by us.

b. *Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.*

The Company has not taken loans from any lender, hence, there are no cases of waiver/ write off of loans/ interest etc. However, the company has written off old book debts/ receivables amounting to Rs. 69 Lakhs as the payments were not forthcoming.

c. Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.

The Company has not received funds from specific schemes from central/ state agencies during the year

For SHAH GUPTA & CO.,
Chartered Accountants
Firm Registration No.: 109574W

Sd/-
Vedula Prabhakar Sharma
Partner
M. No.: 123088
Unique Document Identification Number (UDIN) for this document is: 21123088AAAACS6089
Place: Mumbai
Date: May 31, 2021

APPENDIX A TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IDBI Capital Market Securities Limited of even date)

(I) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property plant and equipment on the basis of available information.

(b) The Company has a program of verification to cover all the items of property plant and equipment in a phased manner over a period which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment or right of use assets in the standalone financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) The Company's business does not involve inventories. Accordingly, reporting under paragraph 3 (ii) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under paragraph 3 (iii) (a), (b) and (c) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to the parties covered under section 185 of the act. Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given by the management, the Company has complied with the provisions of section 186 of the Act in respect of the investment made by it.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, reporting under paragraph 3 (v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Act, for the products / services of the Company. Accordingly, reporting under paragraph 3 (vi) of the order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us, and the records of the company examined by us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax, goods and service tax, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, service tax, goods and service tax, cess and other material statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, goods and service tax, income tax, duty of excise, duty of excise, value added tax, and cess which have not been deposited on account of any dispute except as follows:

Name of the Statute	Nature of the Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income tax	20.16	F.Y. 2012-13	CIT (Appeals – 9), Mumbai
Finance Act, 1994	Service tax	920.44	F.Y. 2012-13 to F.Y. 2017-18	(Commissioner of Central Excise (Appeals))

(viii) In our opinion and according to the information and explanations given to us the Company has not taken any loan from banks, financial institution, government or by way of issue of debentures. Accordingly, reporting under paragraph 3(viii) of the order is not applicable to the Company.

(ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to the information and explanations given to us by the Management, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year under review. Accordingly, reporting under paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management except a fraud case where the staff of the Company during the period had executed fraudulent transactions aggregating to Rs. 26 Lakh. As informed by the management the entire amount has been recovered from the employee and legal proceedings have been initiated against such employee. We have been informed that such fraud has also been reported to the Reserve Bank of India on Date November 02, 2020.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, reporting under paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, transactions during the year with the related parties were approved by the Audit Committee and are in compliance with section 177 of the Act where applicable and since the said transactions were in the ordinary course of business of the company and were at arm's length basis, the provisions of section 188 are not applicable, and the details have been disclosed in the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under paragraph 3 (xvi) of the Order is not applicable to the Company.

For **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W

Sd/-
Vedula Prabhakar Sharma
Partner
M. No.: 123088
Unique Document Identification Number (UDIN) for this document is: 21123088AAAACS6089
Place: Mumbai
Date: May 31, 2021

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section (3) of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **IDBI Capital Markets & Securities Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, 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 with reference to these standalone financial statements 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 with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 judgement, including the assessment of the risks of material misstatement of the standalone 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 internal financial controls system over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone financial statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these standalone financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to standalone financial statements 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 **SHAH GUPTA & CO.,**
Chartered Accountants
Firm Registration No.: 109574W

Sd/-
Vedula Prabhakar Sharma
Partner
M. No.: 123088
Unique Document Identification Number (UDIN) for this document is: 21123088AAAACS6089
Place: Mumbai
Date: May 31, 2021

Corrigendum To The Independent Auditors' Report

To
The Comptroller and Auditor General of India

In response to your correspondence ref. no. GA/CA-I/Accounts/IDBI CMS/2020-21 dated 07-08-2021, with reference to the Independent Auditor's Report on the Audit of the Standalone Financial Statements for FY 2020-21 sent to members on May 31, 2021, we hereby submit correction in **para "3." of Report on Other Legal and Regulatory Requirements**, pertaining to reporting as required by sub-section (5) of Section 143 of the Act and in terms of directions issued by the Comptroller and Auditor General of India

3. As required by sub-section (5) of Section 143 of the Act and in terms of directions issued by the Comptroller and Auditor General of India during the course of audit of annual accounts of IDBI Capital Markets & Securities Limited as applicable for FY 2020-21, we report that:

a. *Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.*

During the financial year 2019-20, pursuant to the notification dated March 30, 2016 issued by the Ministry of Corporate Affairs for applicability of Indian Accounting Standards ('Ind AS') to Non-banking Financial Companies, the Company's books of account have been converged by applying principles of the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'). Transition to the Ind AS has impact on various accounting and operational functions. This requires design of appropriate controls in operational procedure as well as IT systems. Accordingly, we recommend design for controls in operational procedure and IT controls in respect of the following:

- Generation of Trial Balance as per new accounting presentation framework (i.e. Ind AS) through IT System.
- Various calculations in accordance with the requirements of Ind AS such as amortised cost using effective interest rate, fair value of financial instruments and computation of expected credit loss (ECL) matrix needs to be processed through IT System

Presently, said workings have been maintained manually and verified by us.

b. *Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.* ***Whether such cases are properly accounted for? (in case, lender is a Government company, then its direction is also applicable for statutory auditor of lender company).***

The Company has not taken loans, hence, there are no cases of waiver/ write off of loans/ interest etc. However, the company has written off old book debts/ receivables amounting to Rs. 69 Lakhs as the payments were not forthcoming.

c. *Whether funds* ***(grants/subsidy etc.)*** *received/receivable for specific schemes from Central/ State* ***Government or its*** *agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.*

The Company has not received funds (grants/subsidy etc.) from specific schemes from central/ state Government or its agencies during the year.

Inconvenience caused is highly regretted.

For **SHAH GUPTA & CO**
Chartered Accountants
Firm Registration No.: 109574W

Sd/-
Vedula Prabhakar Sharma
Partner

M. No.: 123088
Unique Document Identification Number: 21123088AAAAEE2415
Place: Mumbai
Date: August 09, 2021

IDBI Capital Markets & Securities Limited

Standalone Balance Sheet as at March 31, 2021

(Amount in INR lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
(1) Financial Assets			
(a) Cash and cash equivalents	4	7,965	9,835
(b) Bank balances other than cash and cash equivalents	5	7,719	4,280
(c) Receivables			
(i) Trade receivables	6	5,437	4,708
(d) Investments	7	8,486	8,303
(e) Other financial assets	8	1,503	578
Total Financial Assets		31,110	27,704
(2) Non-Financial assets			
(a) Current tax assets (net)	9	3,117	3,752
(b) Deferred tax asset (net)	10	75	140
(c) Property, plant and equipment	11	3,629	3,802
(d) Right-of-use assets	12	1,695	2,291
(e) Intangible assets under development		47	16
(f) Other Intangible assets	11	104	134
(g) Other non-financial assets	13	1,365	299
Total Non-Financial Assets		10,032	10,434
Total Assets		41,142	38,138
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial Liabilities			
(a) Payables			
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises		1	6
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	14	3,490	2,088
(b) Borrowings	15	951	-
(c) Deposits	16	123	111
(d) Lease liabilities	17	1,822	2,402
(e) Other financial liabilities	18	101	38
Total Financial Liabilities		6,488	4,645
(2) Non-Financial Liabilities			
(a) Provisions	19	254	141
(b) Other non-financial liabilities	20	338	206
Total Non-Financial Liabilities		592	347
Total Liabilities		7,080	4,992
Equity			
(a) Equity share capital	21	12,810	12,810
(b) Other equity	22	21,252	20,336
Total Equity		34,062	33,146
Total Liabilities and Equity		41,142	38,138

Company Overview and significant accounting policies	1-3

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No: 109574W

sd/-
Vedula Prabhakar Sharma
Partner
Membership No. 123088
UDIN: 21123088AAAACS6089

Place: Mumbai
Date : May 31, 2021

For and on behalf of the Board of Directors

sd/-
Rakesh Sharma
Chairman
DIN: 06846594

sd/-
Iswar Padhan
Managing Director & CEO
DIN: 03560275

sd/-
V. Gopinath
Chief Financial Officer

sd/-
Christina D'souza
Company Secretary

IDBI Capital Markets & Securities Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2021

(Amount in INR lakhs, unless otherwise stated)

	Particulars	Notes	Year ended March 31,2021	Year ended March 31,2020
A.	**Revenue from Operations**			
(i)	Dividend income		12	17
(ii)	Fees and commission income			
	-Brokerage Income		4,596	3,152
	-Income from services		3,713	2,837
(ii)	Net gain on fair value changes		4	-
	Total Revenue from Operations		**8,325**	**6,006**
B.	Other income	23	839	1,061
	Total Other income		**839**	**1,061**
C.	**Total income (A+B)**		**9,164**	**7,067**
D.	**Expenses**			
(i)	Finance cost		115	172
(ii)	Net loss on fair value changes		-	400
(iii)	Impairment on financial instruments	24	602	673
(iv)	Operating expenses	25	2,326	2,240
(v)	Employee benefits expense	26	3,334	3,246
(vi)	Depreciation & amortisation expenses	27	908	913
(vii)	Other expenses	28	716	817
	Total expenses		**8,001**	**8,461**
	Profit /(Loss) before exceptional items and tax (C-D)		**1,163**	**(1,394)**
	Exceptional items		-	-
	Profit /(Loss) before tax		**1,163**	**(1,394)**
	Tax expense			
	Current tax		190	-
	Deferred tax asset / (liability)		62	(319)
	Total Tax expense		**252**	**(319)**
	Profit/(Loss) for the year		**911**	**(1,075)**
	Other comprehensive income			
	Items that will not be reclassified to profit or loss			
	Re-measurement gains/ (losses) on defined benefit plans		7	(28)
	Income tax relating to item that will not be reclassified to profit or loss		(2)	7
	Total Other comprehensive income for the year		**5**	**(21)**
	Total comprehensive income for the year		**916**	**(1,096)**
	Earnings per share (Face Value INR. 10/-per share)			
	Basic		0.71	(0.84)
	Diluted		0.71	(0.84)
	Company Overview and significant accounting policies	1-3		
	The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No: 109574W

sd/-
Vedula Prabhakar Sharma
Partner
Membership No. 123088
UDIN: 21123088AAAACS6089
Place: Mumbai
Date : May 31, 2021

For and on behalf of the Board of Directors

sd/-
Rakesh Sharma
Chairman
DIN: 06846594

sd/-
Iswar Padhan
Managing Director & CEO
DIN: 03560275

sd/-
V. Gopinath
Chief Financial Officer

sd/-
Christina D'souza
Company Secretary

IDBI Capital Markets & Securities Limited

Standalone Statement of Cash Flow for the year ended March 31, 2021

(Amount in INR lakhs, unless otherwise stated)

Particulars	Year ended March 31,2021	Year ended March 31,2020
Cash flow from operating activities		
Profit/ (loss) before exceptional items and tax	1,163	(1,394)
Adjustments for:		
Non-Operating Items		
Income from mutual fund redemptions	(103)	(186)
Profit on sale of investments	(155)	(140)
Interest received on bonds/fixed deposits	(494)	(441)
Interest received on income tax refund	(65)	(133)
Depreciation and amortization expenses	908	913
Recovery from written off accounts	12	150
Net loss on fair value changes	(4)	400
Expected credit loss on trade receivables	602	673
Bad debts written off	69	81
Finance cost	115	172
Operating loss before working capital changes	**2,048**	**95**
Changes in working capital		
(Decrease) / increase in trade payables	1,397	(920)
(Decrease) / increase in other financial liabilities	75	(215)
(Decrease) / increase in provisions	113	(7)
(Decrease) / increase in other non-financial liabilities	132	(14)
Decrease / (increase) in trade receivables	(1,412)	811
Decrease / (increase) in other financial assets	(924)	(306)
Decrease / (increase) in other non financial assets	(248)	1,097
Net change in working capital	**(867)**	**446**
Cash generated used in operations	**1,181**	**541**
Income tax paid	(368)	(254)
Net cash flows used in operating activities (A)	**813**	**287**
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(76)	(191)
Proceeds from sale of property, plant and equipment	1	2
Intangible asset under development	(31)	(8)
Investment in fixed deposits	(3,440)	417
Investments	(178)	(915)
Interest received on fixed deposits	494	441
Interest received on income tax refund	65	133
Investments:		
Profit on sale of investments	155	140
Income from mutual fund redemptions	103	186
Net cash flow from investing activities (B)	**(2,907)**	**205**
Cash flow from Financing activities		
Borrowing in OD	951	-
Repayment of lease liabilities	(727)	(739)
Net cash flow from financing activities (C)	**224**	**(739)**
Net increase in cash and cash equivalents (A+B+C)	(1,870)	(247)
Cash and cash equivalents at the beginning of the year	9,835	10,082
Cash and cash equivalents at the end of the year	**7,965**	**9,835**
Cash and cash equivalents comprise (Refer note 4)		
Cash on hand	2	16
Balances with banks		
On current accounts	4,463	4,681
Fixed deposits with maturity of less than 3 months		5,138
Current investments (Highly Liquid)	3,500	-
Total cash and bank balances at end of the year	**7,965**	**9,835**

Reconciliation forming part of cash flow statement

Particulars	31st March 2020	Cash flows (net)	Deletion	New leases	31st March 2021
Lease Liabilities	2,402	(592)	142	154	1,822

Particulars	1st April, 2019	Cash flows (net)	Deletion	New leases	31st March 2020
Lease Liabilities	2900	(566)	0	68	2402

1. The above cash flow statement has been prepared under the 'indirect method' as set out in Ind AS-7 "Statement of cash flows".
2. Figures in brackets indicate cash outflow
3. Previous year figures have been regrouped or reclassified wherever required

Company Overview and significant accounting policies 1-3

The accompanying notes are an integral part of the standalone financial statements.

For and on behalf of the Board of Directors

As per our report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No: 109574W

sd/-
Vedula Prabhakar Sharma
Partner
Membership No. 123088
UDIN: 21123088AAAACS6089

Place: Mumbai
Date : May 31, 2021

sd/-
Rakesh Sharma
Chairman
DIN: 06846594

sd/-
Iswar Padhan
Managing Director & CEO
DIN: 03560275

sd/-
V. Gopinath
Chief Financial Officer

sd/-
Christina D'souza
Company Secretary

IDBI Capital Markets & Securities Limited
Statement of changes in equity for the year ended March 31, 2021

(Amount in INR lakhs, unless otherwise stated)

(A) Equity share capital

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity shares of INR. 10/- each issued, subscribed and fully paid				
Opening	1,28,10,00,000	12,810	12,81,00,000	12,810
Add: issue during the year				
Closing	**1,28,10,00,000**	**12,810**	**12,81,00,000**	**12,810**

(B) Other equity

Particulars	Reserve and surplus			Total
	Capital Redemption Reserve	**General reserve**	**Retained earnings**	
Balance as at April 1, 2019	7,190	11,250	3,022	21,461
Impact Ind AS 116			(30)	(30)
	7,190	**11,250**	**2,992**	**21,431**
Profit for the year			(1,075)	(1,075)
Items of other comprehensive income for the year, net of tax				
Remeasurement benefit of Defined Benefit Plans			(21)	(21)
Total comprehensive income for the year	-	-	**(1,096)**	**(1,096)**
Balance as at March 31, 2020	**7,190**	**11,250**	**1,896**	**20,336**

Particulars	Reserve and surplus			Total
	Capital Redemption Reserve	**General reserve**	**Retained earnings**	
Balance as at April 1, 2020	7,190	11,250	1,896	20,336
				-
	7,190	**11,250**	**1,896**	**20,336**
Profit for the year			911	911
Items of other comprehensive income for the year, net of tax				
Remeasurement benefit of Defined Benefit Plans			5	5
Total comprehensive income for the year	-	-	**916**	**916**
Balance as at March 31, 2021	**7,190**	**11,250**	**2,812**	**21,252**

Company Overview and significant accounting policies 1-3
The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No: 109574W

sd/-
Vedula Prabhakar Sharma
Partner
Membership No. 123088
UDIN: 21123088AAAACS6089

Place: Mumbai
Date : May 31, 2021

For and on behalf of the Board of Directors

sd/-
Rakesh Sharma
Chairman
DIN: 06846594

sd/-
Iswar Padhan
Managing Director & CEO
DIN: 03560275

sd/-
V. Gopinath
Chief Financial Officer

sd/-
Christina D'souza
Company Secretary

1. General Information

IDBI Capital Markets & Securities Limited (IDBI Capital) ("the Company") was incorporated on December 14, 1993 and is a wholly owned subsidiary of IDBI Bank Limited. The company is registered as a merchant banker, stock broker, depository participant, portfolio manager and research entity with the Securities and Exchange Board of India (SEBI). The company offers to its client's services ranging from investment banking, corporate advisory services, retail and institutional stock broking, distribution of financial products, portfolio management and research services.

2. Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. For all periods up to and including the year ended 31 March 2019, the Company prepared its standalone financial statements in accordance with requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). The company drawn its financial statement as per Division III to Schedule III to the Companies Act, 2013 being applicable to Non-Banking Financial Company (NBFC) having Merchant Banking operations in pursuance to MCA notification GSR 365(E) dated October 10, 2018

(b) Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Standalone Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended with effect from April 01, 2018. Accordingly, the Company has prepared these Standalone Financial Statements, which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the year ended March 31, 2021, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone Financial Statements" or "Financial Statements").

The standalone financial statements have been prepared on a historical cost convention on accrual basis, except for the following items that have been measured at fair value as required by relevant Ind AS:-

i) Certain financial assets and liabilities measured at fair value (refer accounting policy 2.16 on financial instruments)
ii) Derivative financial instruments
iii) Defined benefit and other long-term employee benefits

Fair value is the price that would be received on sell of an asset or paid to transfer 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 a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized within the fair value hierarchy into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Lakhs except when otherwise stated

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years if the revision effects such periods. Also key sources of estimation uncertainty is mentioned below:

i. Useful lives of property, plant and equipment and intangible assets:
As described in the significant accounting policy, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

ii. The fair value measurements and valuation processes:
Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where level 1 input are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs, used in determining the fair value of various assets and liabilities are disclosed in notes to financial statements.

iii. Actuarial valuation:
The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the statement of profit or loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to financial statements

2.2 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms Amounts disclosed as revenue are excluding taxes collected on behalf of government, net of trade allowances, rebates and cash discount.

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 activities as described below.

(a) Fee based Income

Revenue from a contract to provide services is recognized as follows:
Revenue from issue management, debt syndication, financial advisory services etc is recognised based on the stage of completion of assignments and terms of agreement with the client.

(b) 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 recognized using the effective interest rate method

(c) Brokerage income

Brokerage income in relation to stock broking activity is recognized on a trade date basis

(d) Sale of Securities

Gains and losses on the sale of securities are recognized on trade date. The cost of Securities is taken on weighted average method.

(e) Commission Income

Commission income in relation to public issues / other financial products is recognized based on mobilization and intimation received from clients / intermediaries or over the period of service as applicable.

(f) Dividend Income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

The Company recognizes revenue on accrual basis when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. The method of recognizing the revenues depends on the nature of the services rendered. Revenue is recognized when no significant uncertainty exists as to its realization or collection.
The amount recognized as revenue in its Statement of Total Comprehensive Income is exclusive of Service Tax and Goods and Services Tax (GST) since they are amount collected on the behalf on third parties.

2.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and impairment losses, if any. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

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 the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit or Loss. Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any..

Depreciation methods, estimated useful lives
Depreciation provided on property, plant and equipment is calculated on a straight-line basis using the rates arrived at as per the useful life prescribed in the Schedule II to the Companies Act, 2013, except in respect following assets:

Property, plant and equipment	Useful Life
Computers	3 years
Furniture & Fixtures	10 years
Office Equipment's	5 years
Vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as change in accounting estimates.

All Property plant and equipment having individual value of less than Rs.5,000, in the year of acquisition and assets retired from active use are fully depreciated

Transition to Ind AS

The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets (i.e. Buildings)which are measured at fair value as deemed cost.

• Optional Exemptions in FTA-Accounting Policy:-
a. Fair value as deemed cost exemption
The Company has elected to measure items of property, plant and equipment and intangible assets at its carrying value at the transition date except for certain class of assets (i.e. Buildings)which are measured at fair value as deemed cost.
b. Investments in subsidiaries, associates and joint ventures:-
The management has elected to measure all of its investments in associates at deemed cost i.e. their Indian GAAP carrying value at the date of transition.

2.4 Intangible assets and amortization
Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition less accumulated amortization and impairment, if any.

The Company amortized intangible assets over their estimated useful lives using the straight-line method. The estimated useful lives of intangible assets are as follows:

Intangible Assets	Useful Life
Computer Software	3 years
Web Trading Portal	3 years
Bombay Stock Exchange Card	21 years

Based on technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of schedule II of the Companies Act, 2013.

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

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

2.5 Taxation

Tax expense for the year comprises of current tax and deferred tax.

(a) Current tax

Current income tax is the amount of expected tax payable based on taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of Income Tax Act, 1961.

(b) Deferred tax

Deferred tax is recognised on temporary 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. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary difference can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting year.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority

Current and Deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they are relating to items that are recognised in the other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

2.6 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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.

The management determines the policies and procedures for both recurring fair value measurement. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.7 Financial instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

(A) Financial Assets:

(a) a. Recognition and initial measurement

The Company initially recognises loans and advances, deposits and debt securities purchased on the date on which they originate. Purchases and sale of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

All financial assets are recognised initially at fair value. In the case of financial assets not recorded at FVTPL, transaction costs that are directly attributable to its acquisition of financial assets are included therein.

b. Classification of financial assets

On initial recognition, a financial asset is classified to be measured at –

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

i. Financial assets at amortized cost

A financial asset is measured at amortized cost if both of the following conditions are met:

► the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

► the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

ii. Debt instruments at FVTOCI

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met:

► the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

► the asset's contractual cash flow represents solely payments of principal and interest (SPPI) on the principle amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Equity instruments at FVTOCI

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments held for trading is classified as 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.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognized in OCI which is not subsequently recycled to statement of profit and loss.

iv. Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate the financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL. Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

(b) 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 derecognized (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 recognize the transferred asset to the extent of the company`s continuing involvement. In that case, the company also recognizes 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.

(c) Impairment of Financial Assets

The company recognizes impairment loss applying the expected credit loss (ECL) model on the financial assets measured at amortized 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.

(d) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL and Interest income is recognized in profit or loss.

(e) Reclassification of financial assets

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.

FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

B. Financial Liabilities:
Financial liabilities are classified as measured at amortised cost or 'FVTPL'.

A Financial Liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition.

A financial liability is classified as held for trading if:
- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:
- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss.

Other financial liabilities:
Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.8 Leases
As a lessee
The Company's lease asset classes primarily consist of leases for land and buildings. The company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:
(I) the contract involves the use of an identified asset
(ii) the company has substantially all of the economic benefits from use of the asset through the period of the lease and
(iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these shortterm and low value leases, the company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.
Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.9 Provisions and contingent liabilities

Provisions involving substantial degree of estimation in measurement are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When 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 (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. 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. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent Liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events that may, but probably will not, require an outflow of resources.

Both provisions and contingent liabilities are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized but are disclosed in the notes. A contingent asset is disclosed in the Financial Statements, where an inflow of economic benefits is probable.

Onerous contracts
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.10 Cash and cash equivalents
Cash and cash equivalents comprise cash at banks and on hand, Current investments which are highly liquid and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effect of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associate with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

2.11 Employee benefits
(a) Short-term obligations
The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the year during which the employee rendered the services. These benefits comprise compensated absences such as paid annual leave and performance incentives.

(b) Other long-term employee benefit obligations

i. Defined contribution plan

The Company has defined contribution plans for post-employment benefits in the form of provident fund, pension fund (NPS) and superannuation fund in India which are administered through Government of India and/or Life Insurance Corporation of India (LIC).

ii. Defined benefit plans

Gratuity: The Company has defined benefit plans for post-employment benefits in the form of gratuity for its employees in India. The gratuity scheme of the Company is administered through Life Insurance Corporation of India (LIC). Liability for defined benefit plans is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognized immediately in the Other Comprehensive Income (OCI) as income or expense (net of taxes).

Compensated absences: The employees of the Company are also entitled for other long-term benefit in the form of compensated absences as per the policy of the Company. Leave encashment vests to employees on an annual basis for leave balance above the upper limit as per the Company's policy. At the time of retirement, death while in employment or on termination of employment leave encashment vests equivalent to salary payable for number of days of accumulated leave balance subject to an upper limit as per the Company's policy. Liability for such benefit is provided on the basis of actuarial valuations, as at the Balance Sheet date, carried out by an independent actuary. The leave encashment scheme of the company is administered through Life Insurance Company (LIC). The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method. Actuarial gains and losses are recognized immediately in the Profit and Loss Statement as income or expense.

2.12 Segment Reporting

The company identifies operating segments based on the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

2.13 Earnings per share (EPS)

Basic earnings per share (EPS) are calculated by dividing the net loss / profit after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value i.e. average market value of outstanding shares.

The number of shares and potentially dilutive shares are adjusted for share splits and bonus shares, as appropriate. In calculating diluted earnings per share, the effects of anti-dilutive potential equity shares are ignored. Potential equity shares are anti-dilutive when their conversion to equity shares would increase earnings per share or decrease loss per share.

2.14 Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Indian Accounting Standard 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

2.15 Foreign currency transactions

The financial statements are prepared in Indian Rupees. The Indian Rupee is the functional currency of the Company. Translation of foreign currency into Indian Rupees has been carried out as under:

Both monetary and non-monetary foreign currency assets and liabilities including contingent liabilities are translated at closing exchange rates as at the Balance Sheet date.

Income and expenditure of transactions are translated at the rate on the date of transaction.

All resulting exchange differences on translation are taken directly to the Statement of Profit and Loss.

All resulting exchange differences on translation are taken directly to the Statement of Profit and Loss.

2.16 Contributed equity

Equity shares are classified as equity share capital.

Incremental costs directly attributable to the issue of new shares are shown in other equity under securities premium as a deduction, net of tax,
from the proceeds.

2.17 Cash flow hedge or Transactions in future, Options and Interest rate swaps

The company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast cash transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Any ineffective portion of changes in the fair value of derivative is recognized immediately in the net profit in the statement of profit and loss. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective, remains in the cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the statement of profit and loss upon the occurrence of the related forecasted transactions.

If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the statement of profit and loss.

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and interest rate swaps. Fair valued of foreign currency forward contracts are determined using the fair value reports provided by respective merchant bankers. Fair value of interest rate swaps are determined with respect to current market rate of interest.

2.18 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as permitted in Schedule III of the Act, unless otherwise stated.

2.19 Standards (including amendments) issued but not yet effective.

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but not yet adopted by the Company. Hence, the disclosure is not applicable.

3. Recent Accounting Pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Current maturity of long term debt to be shown under Short term borrowing as a separate line item.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for aging schedule of trade receivables, trade payables, capital work- in- progress and intangible assets under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerialpersonnel (KMP) and related parties, details of benami property held etc.
- Disclosure of some ratios (Current ratio, Debt-Equity ratio, ROCE, ROE etc.)

Statement of profit and loss:

• Additional disclosures relating to Corporate Social responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

• The amendments are extensive and the company will evaluate the same to give effect to them as required by law.

(Amount in INR lakhs, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
	Financial Assets :		
4	**Cash and cash equivalents:**		
	Cash and cash equivalents consists of:		
	Cash on hand	2	16
	Balances with banks		
	On current accounts	4,463	4,681
	Fixed deposits with maturity of less than 3 months	-	5,138
	Current Investments (Highly Liquid)		
	IDBI Liquid Fund - Growth - Direct Units C.Y.158150.385 (P.Y.Mar'20 NIL)	3,500	-
	Total cash and cash equivalents	**7,965**	**9,835**
5	**Bank balances other than Cash and cash equivalent**		
	In Fixed deposit with maturity for more than 3 months (Refer Note 5.1)	7,719	4,280
		7,719	**4,280**
5.1	As at March 31, 2021 and March 31, 2020 Fixed deposits of INR. 4,605 , INR 3,090 respectively were under pledge with the stock exchanges for margin		
6	**Trade receivables**		
	Secured, considered good		
	Unsecured		
	-Considered good	5,378	4,393
	-Considered doubtful	2,584	2,238
	Impairment allowance (Refer note 24)	(2,525)	(1,923)
		5,437	**4,708**
	Further classified as:		
	Receivable from related parties (Refer note 33)	430	382
	Receivable from others	5,007	4,327
		5,437	**4,708**

* Trade Receivables are subject to confirmations

Trade receivables include INR 2,954.84 Lakhs (March 2020: INR 1,643.65 Lakhs) receivables towards margin trade funding

No trade or other receivable are due from directors of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Credit risk management regarding trade receivables has been described in note number 39.4

6.1	Movement of impairment loss allowance		
	Balance at the beginning of the year	1,923	1250
	Impairement loss recognized/(reversed)	(602)	(673)
	Balance at the end of the year	2,525	1923

(Amount in INR lakhs, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
7	**Investments**		
A.	**Investment in Associate Company - Unquoted(Investments measured at deemed cost)**		
	In equity shares - fully paid-up		
	IDBI Asset Management Limited		
	6,66,60,000 (31 March 2020: 6,66,60,000) equity shares of INR 10 each	6,666	6,666
	Extent of holding: Current year 33.33% (31 March 2020: 33.33%)		
B.	**Other investments quoted**		
Sl. No	**Equity Shares - Quoted, Fully paid up(At fair value through profit and loss (fully paid))**		
1	Aban Offshore Ltd*	-	-
2	Bajaj Hindustan Sugar Ltd	1	1
3	BSE Ltd	57	30
4	DLF Ltd	49	23
5	Larsen & Toubro Infotech Ltd	-	
6	NHPC Ltd	122	100
7	NTPC Ltd	19	15
8	Opal Luxury Time Products Ltd	-	241
9	Punj Lloyd Ltd*	-	-
10	Reliance Communication Ltd*	-	-
11	Reliance ETF Nifty BeES*	-	-
12	Reliance Infrastructure Ltd*	2	-
13	Reliance Industries Ltd	-	-
14	The India Cements Ltd	65	41
15	Thejo Engineering Ltd	-	111
16	VTX Industries Ltd	-	-
17	Chennai Super Kings Cricket Ltd*	-	-
18	Arshiya Ltd	98	20
	Equity Index Funds -Quoted, Fully paid up(At fair value through profit and loss (fully paid))		
1	IDBI Nifty Index Fund - Direct Plan - Growth	-	176
	Investments in Debentures or Bonds , Quoted, Fully paid up(At amortized cost (fully paid))		
1	NTPC Limited Sr - 54 8.49 NCD 25MR25 FVRS 12.5	2	2
	Investments in Alternative Investment Fund , Unquoted, Fully paid up (at fair value through profit and loss ,fully paid)		
1	Maharashtra Defence and Aerospace Venture Fund	1,404	774
	Investment in Equity Instruments, Quoted, Fully paid up(At fair value through profit and loss (fully paid))		
1	Thejo Engineering Ltd	-	6
2	Opal Luxury Time Products Ltd	0	97
		-	
	Total	**8,486**	**8,303**

*The following table represents the absolute figures for the value above

Aban Offshore Ltd	-	11,200
Punj Lloyd Ltd	-	3,825
Reliance Communication Ltd	-	1,300
Reliance ETF Nifty BeES	43	43
Reliance Infrastructure Ltd		61,200
Chennai Super Kings Cricket Ltd	38,825	38,825

7.B.1. Details of Quoted Investments measured at FVTPL:

Particulars	**Face Value**		
Equity Shares - Quoted, Fully paid up			
Aban Offshore Ltd	2	0	800
Bajaj Hindustan Sugar Ltd	1	8,758	28,758
BSE Ltd	2	10,047	10,047
DLF Ltd	2	17,140	17,140
NHPC Ltd	10	5,00,000	5,00,000
NTPC Ltd	10	18,000	18,000
Opal Luxury Time Products Ltd	10	3,01,000	3,01,000
Punj Lloyd Ltd	2	0	4,500
Reliance Communication Ltd	5	0	2,000
Reliance ETF Nifty BeES	10	0	0
Reliance Infrastructure Ltd	10	5,964	6,000
The India Cements Ltd	10	38,825	38,825
Thejo Engineering Ltd	10	0	24,600
VTX Industries Ltd	10	29,92,850	29,92,850
Chennai Super Kings Cricket Ltd	0.1	38,825	38,825
Arshiya Ltd	2	2,91,218	2,91,218
Equity Index Funds -Quoted, Fully paid up			
IDBI Nifty Index Fund - Direct Plan - Growth	10	0	10,44,343
Investment in Equity Instruments, Quoted, Fully paid up			
Thejo Engineering Ltd	10	0	1,400
Opal Luxury Time Products Ltd	10	1,21,000	1,21,000
Investments in Debentures or Bonds			
NTPC Limited Sr - 54 8.49 NCD 25MR25 FVRS 12.5	12.5	15,000	15,000
Aggregate book value of:			
Quoted investments		4,164	4,460
Unquoted investments		6,666	6,666
Aggregate market value of:			
Quoted investments		415	863
Unquoted investments		6,666	6,666

(Amount in INR lakhs, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
8	**Other Financial Assets**		
	Unsecured, considered good		
	Sundry Deposits	132	136
	Deposits with Exchanges*	1,371	442
		1,503	**578**
	* Initial margin placed with the exchanges towards capital in the form of cash INR 1304.39 lakhs (P.Y. Mar'20 INR 432.14 lakhs)		
	Non-Financial Assets:		
9	**Current tax assets**		
	Advance income tax (net of income tax provision amounting (31 March 2021: INR 966.87, 31 March 2020: INR 967.87))	3117	3,752
		3,117	**3,752**
10	**Deferred Tax:**		
(a)	**Deferred tax relates to the following:**		
	Deferred tax assets		
	On impairment of trade receivables	357	484
	On Inadmissable expenses u/s 43B of I.T. Act	61	35
	On fair valuation of Investments	418	418
	On Depreciation on expired assets		
	On fair valuation of leases	32	28
	On fair valuation of Buildings	(753)	(772)
		115	193
	Deferred tax liabilities		
	On timing differences - Depreciation	40	53
		40	53
	Deferred tax asset, net	**75**	**140**
(b)	**Reconciliation of deferred tax assets/ (liabilities) (net):**		
	Opening balance	140	(198)
	Tax (liability)/asset recognized in Statement of Profit and Loss	(62)	319
	Tax (liability) on Ind AS 116 adjustment		12
	Tax (liability)/asset recognized in OCI		
	On re-measurements gain/(losses) of post-employment benefit obligations	(3)	7
	Closing balance	**75**	**140**
(c)	Income tax expense		
	- Current tax taxes	190	-
	- Deferred tax charge / (income)	62	(319)
	Total	**252**	**(319)**
(d)	Reconciliation of tax charge		
	Profit before tax	1,163	(1,394)
	Income tax expense at tax rates applicable	293	(351)
	Tax effects of:		
	- Expenses not deductible for tax	24	14
	- Income Taxed at different rates (Long term capital gain)		-
	'-Different rates taken for DTA of Provision for long term Provision		-
	- Impact of change deferred tax due to rate change		10
	- Impact of deferred tax not created at taxable business loss		33
	-Impact of reclassification of employee benefit liabilities	(3)	7
	- Others	(62)	(32)
	Income tax expense	**252**	**(319)**

(Amount in INR lakhs, unless otherwise stated)

11 Property, plant and equipment and Other Intangible Assets

Particulars	Tangible Assets						Intangible Assets				Total C
	Buildings	Computers	Furniture & Fixtures	Vehicles	Office Equipments	Total (A)	Web Trading Portal	Software	Stock Exchange Membership Card	Total (B)	C= (A)+(B)
Gross Carrying amount (At Cost or deemed cost)											
At April 1, 2019	3,672	263	105	15	67	**4,122**	-	**161**	**8**	**169**	**4,291**
Additions		51	3	16	21	**91**		100		**100**	**191**
Sales/ Adjustments		3				**3**				-	**3**
At March 31, 2020	**3,672**	**311**	**108**	**31**	**88**	**4,210**	-	**261**	**8**	**269**	**4,479**
Additions		23	0	10	2	**35**		41		**41**	**76**
Sales/ Adjustments		2	-	-	0	**2**				-	**2**
At March 31, 2021	**3,672**	**332**	**108**	**41**	**90**	**4,243**	-	**302**	**8**	**310**	**4,553**
Depreciation/ Amortisation											
At April 1, 2019	85	82	17	3	13	**200**	-	**60**	**5**	**65**	**265**
Depreciation for the year	85	90	9	5	20	**209**		67	3	**70**	**279**
Sales/ Adjustments		1				**1**				-	**1**
At March 31, 2020	**170**	**171**	**26**	**8**	**33**	**408**	-	**127**	**8**	**135**	**543**
Depreciation for the year	85	88	9	7	18	**207**		71		**71**	**278**
Sales/ Adjustments		1	-	-	-	**1**				-	**1**
At March 31, 2021	**255**	**258**	**35**	**15**	**51**	**614**	-	**198**	**8**	**206**	**820**
Carrying amounts (net)											
Balance at March 31, 2020	**3,502**	**140**	**82**	**23**	**55**	**3,802**	-	**134**	**0**	**134**	**3,936**
Balance at March 31, 2021	**3,417**	**74**	**73**	**26**	**39**	**3,629**	-	**104**	**0**	**104**	**3,733**

(Amount in INR lakhs, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
12	**Right of Use Assets**		
	Building		
	Cost as at March 31, 2020	3,171	3103
	Addition during year	154	68
	Deduction during year	(161)	-
	As at the end of the year	**3,164**	**3,171**
	Accumulated Depreciation	879	245
	Depreciation for the year	629	635
	Deduction during year	(39)	-
	As at the end of the year	**1,469**	**880**
	Net Block at the end of the year	**1,695**	**2,291**
13	**Other Non-Financial assets**		
	Advance recoverable in kind		
	Advances to Service providers	48	19
	Prepaid Expenses	104	99
	Others	1,213	181
	Total	**1,365**	**299**

(Amount in INR lakhs, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
	Financial Liabilities :		
14	**Payables**		
	Trade payables		
	i) Total outstanding dues of micro enterprises and small enterprises	1	6
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises*	3,490	2,088
	Total Trade Payables	3,491	2,094
	Refer note 29 (information required under MSMED Act 2006)		
15	**Borrowings**		
	Overdraft Facility	951	-
		951	-
16	**Deposits**		
	At amortised cost		
	i) Sundry Deposits	94	106
	ii) Margin Money Deposits	29	5
	Total Deposits	123	111
17	**Lease liability**		
	Balance at the beginning	2,402	2,900
	Additions	154	68
	Finance cost accrued during the period	135	172
	Deletions	(142)	-
	Payment of lease liabilities	(727)	(738)
	Total Lease liabilities	1,822	2,402
18	**Other Financial Liabilities**		
	i) Employee related payables	70	19
	ii) Client's settlement dues	31	19
	Total Other Financial Liabilities	**101**	**38**
19	**Provisions**		
	i) Provision for employees benefit (Refer note 31)	191	137
	ii) Other Provisions	63	4
	Total Provisions	254	141
20	**Other Non-Financial Liabilities**		
	i) Statutory Dues	338	206
	Total Other Non-Financial Liabilities	338	206

(Amount in INR lakhs, unless otherwise stated)

			As at March 31, 2021		As at March 31, 2020
21	**Equity share capital**				
	The Company has only one class of equity share capital having a par value of INR 10 per share, referred to herein as equity shares.				
	Authorized				
	20,00,00,000 (31 March 2020:20,00,00,000) Equity Shares of INR 10 each.		20,000		20,000
			20,000		**20,000**
	Issued, subscribed and paid up				
	12,81,00,000 (31 March 2020: 12,81,00,000) Equity shares of INR 10 each fully paid	1,28,10,00,000	12,810	1,28,10,00,000	12,810
	Total	**1,28,10,00,000**	**12,810**	**1,28,10,00,000**	**12,810**

		As at March 31, 2021		As at March 31, 2020	
(a)	**Reconciliation of equity shares outstanding at the beginning and at the end of the year**	**Number of shares**	**Amount**	**Number of shares**	**Amount**
	Outstanding at the beginning of the year	12,81,00,000	12,810	12,81,00,000	12,810
	Add: Issued during the year				
	Less: Bought Back during the year				
	Outstanding at the end of the year	**12,81,00,000**	**12,810**	**12,81,00,000**	**12,810**

(b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

IDBI Bank Ltd (Holding Company) along with its nominees

12,81,00,000 (31 March 2020: 12,81,00,000) Equity shares of INR 10 each fully paid

(c) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

(Amount in INR lakhs, unless otherwise stated)

		As at March 31, 2021	As at March 31, 2020
22	**Other equity**		
	Reserves & Surplus		
(a)	**Capital Redemption Reserve**		
	Opening Balance	7,190	7,190
	Add: Current Year Transfer	-	-
	Less: Written Back in Current Year	-	-
	Closing Balance	**7,190**	**7,190**
(b)	**General reserve**		
	Opening Balance	11,250	11,250
	Add: Current Year Transfer	-	-
	Less: Written Back in Current Year	-	-
	Closing Balance	**11,250**	**11,250**
(c)	**Retained Earnings**		
	Balance at the beginning of the year	1,896	3,022
	Add: Net Profit For the current year	911	-1,075
	Add: Remeasurement gains/ losses on gratuity	5	-21
	Add: Ind AS 116 Impacts		-30
	Less: Appropriations	-	
	Interim Dividend	-	-
	Tax on Interim Dividend	-	-
	Proposed Dividend	-	-
	Tax on Proposed Dividend	-	-
	Transfer to Reserves	-	-
	Balance at the end of the year	**2,812**	**1,896**
	Total other equity	**21,252**	**20,336**

Nature and purpose of reserves

(i) **Capital redemption reserve:** The Company has recognised Capital redemption reserve on buy back of equity shares from its general reserve. The amount in capital redemption reserve is equal to nominal amount of equity shares bought back

(ii) **General reserve:** This represents accumulation of profits retained by Company to meet future (known/ unknown) obligations.
(iii) **Retained earnings:** Retained earnings are profits that Company has earned till date, less transfer to general reserve, dividends (incl. dividend distribution tax) or other distributions paid to shareholders

(Amount in INR lakhs, unless otherwise stated)

		Year ended March 31,2021	Year ended March 31,2020
23	**Other income**		
	Income from Mutual fund redemptions	103	186
	Profit on Sale of Investments	155	140
	Other Non-operating Income:		
	Interest Received on Bonds/Fixed Deposits	494	441
	Interest Received on Income Tax Refund	65	133
	Recovery from Written off Accounts	12	150
	Recovery from Error Trade	2	-
	Miscellaneous Income	8	11
	Total other income	**839**	**1,061**
24	**Impairment on financial instruments**		
	(A) On financial instruments measured atfair value through OCI:		
	(B) On financial instruments measured at amortised cost:		
	(a) Loans		
	(b) Others		
	-On trade receivables	602	673
		602	**673**
25	**Operating expenses**		
	Brokerage Paid	516	407
	Operating Charges	378	356
	Computer Maintenance Expenses	275	235
	Marketing Expenses	92	74
	Professional Charges	479	485
	Franking/Stamp Expenses	39	57
	Manpower Hire Charges	547	626
	Total Operating expenses	**2,326**	**2,240**
26	**Employee benefit expenses**		
	Salaries, Wages & Allowances	2,986	2,909
	Contribution to Provident and other funds(Refer Note 31)	255	200
	Provision for Gratuity and Leave Encashment (Refer Note 31)	62	96
	Other benefits	31	41
	Total Employee benefit expenses	**3,334**	**3,246**
27	**Depreciation & Amortisation Expenses**		
	Depreciation on Property Plant equipment	207	209
	Amortisation of Intangible assets	71	69
	Depreciation & Amortisation of Right of Use	630	635
	Total Depreciation & Amortisation expenses	**908**	**913**
28	**Other Expenses**		
	Rent (Refer note 32)	62	42
	Electricty Charges	13	11
	Rates & taxes	85	112
	Insurance	15	11

Repairs & Maintenance	64	67
Travelling & Conveyance	57	131
Communication Expenses	183	151
Printing & Stationery	22	40
Sitting fees to directors	21	17
Legal Expenses	2	10
Contribution towards CSR	3	3
Bad Debts Written Off	69	81
Payment to Auditors		
Audit Fees	8	8
Tax Audit Fees	1	1
Others	5	8
Prior Period Adjustments	43	53
Miscellaneous expenses	63	71
Total other expenses	**716**	**817**

(Amount in INR lakhs, unless otherwise stated)

29. Disclosure pertaining to Micro, Small and Medium Enterprises (as per information available with the Company):

Based on the intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and on the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, which have registered with the competent authorities.

Sr. No.	Particulars	As at March 31, 2021	As at March 31, 2020
1	Principal amount due outstanding as at 31st March	1	6
2	Interest due on (1) above and unpaid as at 31st March	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid as at 31st March	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

30 Earnings/ Loss per share

Particulars	Year ended March 31,2021	Year ended March 31,2020
Profit/(Loss) attributable to Equity shareholders (INR in lakhs)(A)	911	(1,075)
Weighted average number of Equity shares for basic EPS (B)	12,81,00,000	12,81,00,000
Effect of Dilution :		
Weighted average number of Equity shares adjusted for the effect of dilution (C)		
Basic EPS (Amount in INR) (A/B)	0.71	(0.84)
Diluted EPS(Amount in INR) (A/C)	0.71	(0.84)

31 Employee Benefits

		As at March 31, 2021	As at March 31, 2020
(A)	**Defined Contribution Plans**		
	During the year, the Company has recognized the following amounts in the Statement of Profit and Loss - (Refer note 26)		
	Contribution to provident fund	92	110
	Contibution to national pension scheme	43	44
	Contribution to group mediclaim insurance	46	40
	Contribution to superannuation fund	3	3
	Contibution to employees state insurance	1	3
	Contibution to labour welfare fund		
	Total	**186**	**200**
(B)	**Defined benefit plans**		
	a) Gratuity payable to employees		
	b) Compensated absences for Employees		
i)	Actuarial assumptions		
	Discount rate (per annum)	6.06%	6.24%
	Rate of increase in Salary	5%	5%
	Attrition rate	15%	15%
	Employee's gratuity fund		
ii)	**Changes in the present value of defined benefit obligation**		
	Present value of obligation at the beginning of the year	236	194
	Interest cost	15	14
	Current service cost	34	28
	Benefits paid	(11)	(27)
	Actuarial (gain)/ loss on obligations	(6)	26
	Present value of obligation at the end of the year*	**267**	**236**
iii)	**Change in fair value of assets**		
	Fair value of plan assets - opening	200	189
	Interest income	12	13
	Remeasurement due to actual return on planned assets less interest on planned assets		
	Benefits paid from the fund	(11)	(27)

	Employer's contribution	61	25
	Actuarial gain/(loss)	1	(1)
	Fair value of plan assets - closing	**263**	**200**
iv)	**Expense recognized as Employee benefits expense in the Statement of Profit and Loss**		
	Current Service Cost	34	28
	Past Service Cost		
	Administrative Expenses		
	Interest on net defined benefit Liability / (Asset)	2	0
	(Gains) / losses on settlement		
	Total expenses recognized in the Statement Profit and Loss	**37**	**29**
v)	**Expense / (income) recognized as OCI in the Statement of Profit and Loss**		
	Remeasurements during the year due to:		
	Acturial (gains) / Losses on obligation for the period	(6)	26
	Return on planned assets, excluding interest income	(1)	1
	Change in Asset ceiling		
	Total	(7)	28
vi)	**Assets and liabilities recognized in the Balance Sheet:**		
	Present value of funded obligation as at the end of the year	(267)	(236)
	Fair value of plan assets	263	200
	Net asset / (liability) recognized in Balance Sheet*	(4)	(35)
	*Included in provision for employee benefits (Refer note 19)		
vii)	**Expected contribution to the fund in the next year**		
	Gratuity	39	70
	Total		
viii)	**Sensitivity Analysis**		
	Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future escalation rate. A quantitative sensitivity analysis for significant assumption is as shown below:		
	Impact on defined benefit obligation		
	Discount rate		
	1% increase	(11)	(10)
	1% decrease	12	11
	Rate of increase in salary		
	1% increase	12	11
	1% decrease	(11)	(10)
ix)	Maturity profile of defined benefit obligation		
	Year from the date of reporting		
	1st Following Year	58	33
	2nd Following Year	32	42
	3rd Following Year	30	27
	4th Following Year	29	26
	5th Following Year	27	25
	Sum of Years 6 To 10	108	101
	Sum of Years 11 and above	76	72
(C)	**Defined benefit plans - leave encashment**		
i)	**Changes in the present value of defined benefit obligation**		
	Present value of obligation at the beginning of the year	329	327
	Interest cost	21	23
	Current service cost	64	61
	Benefits paid	(37)	(74)
	Actuarial (gain)/ loss on obligations	17	(9)
	Present value of obligation at the end of the year*	**393**	**329**
ii)	**Expense recognized as Employee benefits expense in the Statement of Profit and Loss**		
	Current service cost	64	61
	Interest on net defined benefit liability / (asset)	21	23
	Actuarial (gain) / loss on obligations	2	(25)
	(Gains) / losses on settlement		
	Total expenses recognized in the Statement Profit and Loss	86	59
iii)	**Expense recognized as Employee benefits expense in the Statement of Profit and Loss**		
	Opening Balance	102	42
	Expenses Recognised	86	59
	Contribution/Benefit paid by the company	(1)	
	Net liability recognised in Balance Sheet	187	102
iv)	**Liabilities recognized in the Balance Sheet:**		
	Present value of funded obligation as at the end of the year	(393)	(329)
	Fair value of plan assets	206	227
	Net asset / (liability) recognized in Balance Sheet*	(187)	(102)

32. Leases

Lease Liabilities

The Company has entered into lease transactions mainly for leasing of office premise for a period between 3 to 9 years. The terms of lease include terms of renewal, increase in rents in future periods, which are in line with general inflation, and terms of cancellation.

The details of the right-of-use asset held by the Company is as follows

Particulars	As at March 31, 2021
Right-Of-Use Asset recognised in Balance Sheet	3,164
Total	**3,164**

Depreciation on right-of-use asset is as follows

Particulars	Year ended March 31,2021
Depreciation on Right-of-Use Asset	1,469
Total	**1,469**

Lease Liability is as follows

Particulars	As at March 31, 2021
Lease Liability recognised in Balance Sheet	1,822
Total	**1,822**

Finance Cost

Particulars	Year ended March 31,2021
Intrest expenses recognised during the year	115
Total	**115**

The Company incurred INR 62 lakhs for the year ended March 31, 2021 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is INR 727 lakhs for the year ended March 31, 2021, including cash outflow for short term and low value leases. The Company has lease term extension options that are not reflected in the measurement of lease liabilities. Lease contracts entered by the Company majorly pertains for buildings taken on lease to conduct its business in the ordinary course. The Company does not have any lease restrictions and commitment towards variable rent as per the contract.

33. Related Party Disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Name of the Related Party	**Relationship**
Life Insurance Corporation of India	Ultimate Holding Company
IDBI Bank Limited	Holding Company
IDBI Intech Limited upto 31.12.2020	Fellow Subsidiary
IDBI Asset Management Limited	Associate company
IDBI Trusteeship Services Limited	Fellow Subsidiary
IDBI Federal Life Insurance Co Limited	Entity under common control of the holding company
LIC Mutual Fund Asset Management Limited	Entity under common control of the holding company
LIC Mutual Fund Trustee Private Limited	Entity under common control of the holding company
LIC Pension Fund Ltd	Entity under common control of the holding company

(B) Other related parties with whom the Company had transactions during the year

List of key management personnel:

Iswar Padhan (Managing Director & CEO)
V. Gopinath (Chief Financial Officer)
Christina D'souza (Company Secretary)

(C) Details of transactions with related party in the ordinary

(i)

	During the year		Outstanding during the year	
Holding Company:IDBI Bank Limited	**Year ended March 31,2021**	**Year ended March 31,2020**	**As at March 31, 2021**	**As at March 31, 2020**
Interest received	65.96	29.69	55.28	29.69
Brokerage earned	2.51	4.39		-
Advisory Fees Income	164.01	2.07	429.61	381.82
Rent paid	699.11	682.94	5.71	5.17
Electricity Charges paid	1.65	0.27		-
Professional Charges paid	4.00	4.00		-
Brokerage Paid	255.38	168.78	17.61	-
Sitting Fees	7.5	5.70		0.70

Other Expenses	37.03	2.21	34.44	1.29
Staff on deputation (in IDBI Rolls)	84.34	45.59	3.76	4.77
Fixed Deposit	1441.99	4,850.53	1441.99	4850.53
Overdraft Facility			950.6	-
Bank Balances			3771.27	3243.77
Share Capital held by IDBI Bank			12810.00	12810.00

(ii)

Entity under common control*				
a) IDBI Intech Limited				
Professional Charges	230.11	249.42	3.09	14.44
b) IDBI Trusteeship Services Limited				
Brokerage earned	39.51	26.64		
Brokerage Paid		0.02		
Professional charges paid		4.56		
c) IDBI Federal Life Insurance Co Limited				
Brokerage earned	5.71	16.98		
d) IDBI Asset Management Limited				
Miscellaneous Income		0.69		
Staff on deputation (ICMS Rolls)		29.99		3.25
Investment in Equity Share Capital *			6666	6666
e) Life Insurance Corporation of India				
Advisory Fees Income	3.5	4.00	15.05	15.05
Brokerage earned	192.4	112.80		
f) LIC Mutual Fund Asset Management Limited				
Brokerage earned	4.09	2.81		
g) LIC Pension Fund Ltd				
Brokerage earned	1.45	2.11		

(iii)

Key Management Personnel (KMP)				
Compensation of key management personnel				
Remuneration to Key Management Personnel			90.24	87.59
(includes pay, allowances and reimbursements)				
Perquisites & benefits	10.28	11.88		
Pension scheme contribution & Provident Fund			5.35	4.15
Leave encashment	1.43	0.92	13.61	12.18
Superannuation				
Gratuity	1.40	5.50	16.48	15.08

*In IDBI Asset Management Ltd, a subsidiary of IDBI Bank Ltd, the total holding of the company as on 31.03.2021 is 33.33 % (P.Y.31 March 2020: 33.33%). (Refer Note 7)

(D) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related partyreceivables or payables. For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

34. Segment reporting

The Company follows Ind AS 108, 'Segment Reporting' which requires disclosure of segment information for the operating segments of the Company. The Company has identified geographic segments as its operating segments viz. Investment Banking, Institutional Banking, retail broking and others. Hence no separate segment information has been furnished herewith.

Segment Revenue	Year ended March 31,2021	Year ended March 31,2020
Investment Banking	3,173	2,228
Institutional Broking	659	452
Retail Broking	4,491	3,410
Others*	841	977
Total	**9,164**	**7,067**
Segment Result		
Investment Banking	45	(940)
Institutional Broking	106	(150)

Retail Broking	620	(153)
Others*	391	(151)
Total	**1,163**	**(1,394)**
Income Taxes	252	(319)
Net Profit	**911**	**(1,075)**

Segment Assets	**As at March 31, 2021**	**As at March 31, 2020**
Investment Banking	2,350	2,323
Institutional Broking	22	87
Retail Broking	3,065	1,814
Others*	19,338	17,783
Unallocated Assets	16,367	16,132
Total	**41,142**	**38,138**
Segment Liabilities		
Investment Banking	-	-
Institutional Broking	-	-
Retail Broking	3,213	1,590
Others*	-	-
Unallocated Liabilities	3,868	3,402
Total	**7,081**	**4,992**

There are no significant non-cash expenses, included in segment expenses, other than depreciation and amortization expenses in respect of segment assets.

*Figures shown in others includes non-operative income and exceptional items

Secondary Segment (Geographical)

The Company's operations are located in India, and its overseas operations does not meet the criteria required of reportable segment, and hence has not been disclosed. All other assets and liabilities of the Company are located in India.

35. Contingent Liability

	As at March 31, 2021	**As at March 31, 2020**
Claims against the company not acknowledged as debt	14.13	11.1
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	17.9	37.38

Note:

a) Disputed Income Tax Matter

Disputed Income Tax matters are pending before various Appellate Authorities. The company has also been advised by its legal counsel that the tax demand against the company is untenable and likelihood of demand being upheld is low. Accordingly no provision in respect thereof has been made.

In respect of Assessment Years 2006-07 and 2008-09, the Income Tax Dept. has gone in appeal before High court pertaining to some of the expenses allowed to the Company in appellate proceedings. However there was no tax demands on the company due to adjustments of carried forward losses/admitted tax under MAT. In respect of Assessment Year 2012-13 (Financial Year 2011-12) Dept. has filed an appeal in High Court against the order of ITAT. This appeal before the High Court is in lodgment stage only as on March 31, 2021 and Company has taken necessary steps to defend its position. Similarly Company is in appeal in respect of Assessment Years 2016-17, 2017-18 and 2018-19 relating to certain disallowances made during the assessment proceedings though there have been no demands raised by the Dept. for the respective assessment years. The management is confident that its position is likely to be upheld in the appeals pending before appellate authorities and no liability could arise on the Company.

Financial Year	**As at March 31, 2021**	**As at March 31, 2020**
2012-13	25.23	25.23
2013-14	21.56	21.56

b) Disputed Service Tax Matter

A show cause notice has been issued by the Service Tax Department for financial year 2012-13 on 07.05.2015 citing non-compliance of provisions of Rule 6(3) and Rule 6(3B) of Cenvat Credit Rules 2004 and asked the company to remit INR 159.56 lakhs along with interest though IDBI Capital do not fall within the meaning of a banking company and financial institution including a non-banking company as mentioned in Rule 6(3B) of Cenvat Credit Rules 2004. The matter has been heard and order has been received by the company on 02.02.2021. The company has filed the appeal against the order on 25.03.2021. The matter is now pending before The Commissioner of CGST & C.Ex. (Appeals-I). The Company has also been advised by its counsel that the service tax demand against the company is untenable and likelihood of demand being upheld is low. Accordingly no provision in respect thereof has been made.

Further, show cause notices have been raised by the Service Tax Department for the following financial year based on the findings during the Service Tax Audit conducted by the Department. All the show cause notices have been contested by the Company and are pending before the respective authorities and no demands have been raised on the Company by the Dept.

	Disputed Service Tax Amount	
Financial Year	**As at March 31, 2021**	**As at March 31, 2020**
2012-13	319.22	159.56
2013-14	177.98	174.21
2014-15	186.92	178.46
2015-16	176.54	157.93
2016-17	65.6	33.15
2017-18	11.65	10.53

Pending receipt of order giving effect to Appellate Decisions in favour of the Company for earlier assessment years, effect of adjustments/reversals if any, in respect of Income Tax provision of those years has not been reflected during the year. (Refer Note 9)

36. Expenditure towards Corporate Social Responsibility (CSR) Activities -

As per section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Act.

	Year ended March 31,2021	Year ended March 31,2020
Amount required to be spent u/s 135 of the Companies Act, 2013	10.00	15.31
Total expenditure towards CSR Activities		
a) Construction/acquisition of any asset		
b) On purpose other than (a) above	3.00	2.88

37 Earnings and expenditure in foreign currency	**Year ended March 31,2021**	**Year ended March 31,2020**
(i) Earnings in foreign currency		
Advisory Services	40.07	46.87
(ii) Expenditure in foreign currency		
Travelling	NIL	11.78

38 There has been no material change in the controls or processes followed in the closing of the financial statements of the Company. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on its operations and its assets including the value of its investments and trade receivables as at March 31, 2021. Changes in market conditions due to on-going pandemic may have an impact on the operations of the Company. SEBI regulated entities have been declared as an essential service and accordingly, the Company has been in operation consistently with permitted staff. Accordingly, as of March 31, 2021, based on the facts and circumstances existing as of that date, the Company does not anticipate any material uncertainties which affect its liquidity position. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

39 Financial Instruments

39.1 Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders value.

The Company's objective, when managing Capital, is to safeguard the ability of the Company to continue as a going concern. The Company's capital management strategy is to effectively determine, raise and deploy capital so as to maximize the shareholder's value. For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board. The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity, operating cash flows generated and short term debt. The Company is not subject to any externally imposed capital requirements.

39.2 Categories of Financial Instruments:

Particulars	As at March 31, 2021		
	Amortised Cost	At Fair Value Through Profit & Loss	Total
Financial Assets			
(a) Cash and cash equivalents	7,965		7,965
(b) Bank balances other than cash and cash equivalents	7,719		7,719
(c) Receivables			-
(i) Trade receivables	5,437		5,437
(d) Investments	6,666	1,820	8,486
(e) Other financial assets	1,503		1,503
Total Assets	**29,290**	**1,820**	**31,110**
Financial Liabilities			
(a) Trade Payables	3,491		3,491
(b) Borrowings	951		951
(c) Deposits	123		123
(d) Other financial liabilities	1,822		1,822
(e) Lease liabilities	101		101
Total Liabilities	**6,488**	**-**	**6,488**

Particulars	As at March 31, 2020		
	Amortised Cost	At Fair Value Through Profit & Loss	Total
Financial Assets			
(a) Cash and cash equivalents	9,835		9,835
(b) Bank balances other than cash and cash equivalents	4,280		4,280
(c) Receivables			-
(i) Trade receivables	4,708		4,708
(d) Investments	6,668	1,635	8,303
(e) Other financial assets	578		578
Total Assets	**26,070**	**1,635**	**27,704**
Financial Liabilities			
(a) Trade Payables	2,094		2,094
(b) Deposits	111		111
(c) Other Financial Liabilities	2,402		2,402
(d) Lease Liabilities	38		38
Total Liabilities	**4,645**	**-**	**4,645**

39.3 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. The Company evaluates the significance of financial instruments and material accuracy of the valuations incorporated in the financial statements as they involve a high degree of judgement and estimation uncertainty in determining the carrying values of financial assets and liabilities at the balance sheet date. Fair value of financial instruments is determined using valuation techniques and estimates which, to the extent possible, use market observable inputs, but in some cases use nonmarket observable inputs. Changes in the observability of significant valuation inputs can materially affect the fair values of financial instruments. In determining the valuation of financial instruments, the Company makes judgements on the amounts reserved to cater for model and valuation risks, which cover both Level 2 and Level 3 instruments, and the significant valuation judgements in respect of Level 3 instruments.

Fair Value Hierarchy

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained below.

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Company recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.

Level 1: Fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities

Level 2: Fair value measurements are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable

Level 3: Fair value measurements are those where at least one input which could have a significant effect on the instrument's valuation is not based on observable market data

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Particulars	As at 31, March 2021	As at 31, March 2020	Fair Value Hierarchy
Financial Assets			
Liquid fund	3,500	-	Level 1
Equity Shares - Quoted	414	685	Level 1
Equity Index Funds	-	176	Level 1
Investments in Alternative Investment Fund	1,404	774	Level 2

There were no transfers between Level 1, Level 2 and Level 3 during the year

Valuation Techniques

Equity instruments

The equity instruments that are actively traded on public stock exchanges are valued at readily available active prices on a regular basis. Such instruments are classified as Level 1.

Units held in funds having quoted market price are fair valued at Level 1. Others which are measured based on their net asset value (NAV) as on reporting date, taking into account redemption and/or other restrictions. Such instruments are generally Level 3.

Equity instruments in non-listed entities included investment in private equity funds are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case basis and classified as Level 2.

Valuation adjustments and other inputs and considerations

A one percentage point change in the unobservable inputs used in fair valuation of Level 3 financial assets does not have a significant impact in its value.

No valuation adjustments have been made to the prices/yields provided for valuation.

Other Financial Assets and Liabilities

With respect to Bank Balances and Cash and Cash Equivalents, Other Financial Assets, Trade Payables and Other Financial Liabilities, the carrying value approximates the fair value.

The fair value of other current financial assets, cash and cash equivalents, trade receivables ,investments trade payables and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments. The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are valued considering present value of expected payments and discounted using an appropriate discounting rate. Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

39.4 Financial Risk Management

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating, regulatory and competition risks.

Risk Management Framework

The Company has a formal risk assessment program to proactively identify the risks and ensure all possible strategies to control & mitigate in pursuit of achieving the Company's objective. Every department is responsible for identification of their risks and putting it in their Risk Registers. The consolidated Risk Register is analyzed at a Committee Level.

At present, the risks faced by the Company are broadly categorized as below:-
Credit Risk
Liquidity Risk
Market Risk

(A) Market risk
Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Interest rate risk
Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

(B) Liquidity risk
The Company's current assets aggregate to INR 15,685 (March 31, 2020 - INR 14,111) including current investments, cash and cash equivalents and bank balances against aggregate current liability INR 4,665 (March 31, 2020 INR 2,224) and non current liabilities amounting to INR 1,822 (March 31, 2020 INR 2,402) on the reporting date. While the Company's total equity stands at INR 34,062 (March 31, 2020 INR 33,146), it has borrowings of INR 951. Hence liquidity risk or risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities as at March 31, 2021

Particulars	Less than 3 Months	3 to 6 months	6 to 12 months	1 to 5 years	More than 5 years	Total carrying Value
Financial Assets						
(a) Cash and cash equivalents	7,965					7,965
(b) Bank balances other than cash and cash equivalents	2,063	551	4,566	539		7,719
(c) Receivables						
(i) Trade receivables	3,628	650	150	1,009		5,437
(d) Investments			6,666	414	1,406	8,486
(e) Other financial assets					1,503	1,503
Total	13,657	1,201	11,382	1,962	2,909	31,110
Financial Liability						
(a) Trade payables	1		3,490			3,491
(b) Borrowings	951					951
(c) Deposits			123			123
(d) Lease liabilities	1,822					1,822
(e) Other financial liabilities					101	101
Total	2,774	-	3,613	-	101	6,488

(C) Credit risk
Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, time deposits, and accounts receivables. The Company maintains its cash and cash equivalents, time deposits, with banks having good reputation, good past track record, and who meet the minimum threshold requirements under the counterparty risk assessment process, and reviews their credit-worthiness on a periodic basis. Accounts receivables of the Company are typically unsecured. As there is no independent credit rating of the customer available with the Company, Management reviews the creditworthiness of customers based on their financial position, past experience and other factors. The Company perform ongoing credit evaluations of their customers' financial condition and monitor the creditworthiness of their customers to which they grant credit terms in the normal course of business.

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing with creditworthy counter parties as a means of mitigating the risk of financial loss from defaults. The exposure is continuously monitored.

Impairment Assessment
The references below show where the Company's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of significant accounting policies. The Company has followed simplified method of ECL in case of Trade receivables and the Company recognises lifetime expected losses for all trade receivables that do not constitute a financing

transaction. At each reporting date, the Company assesses the impairment requirements

The Company recognised lifetime expected credit losses for financial instruments for which there have been significant increase in credit risk since initial recognition considering all reasonable and supportable information, including that of forward looking.

Definition of default

Based on the industry practices and business environment in which the entity operates, management considers that the trade receivables are in default if the payment is 180 days overdue

Probability of Default

Probability of Default (PD) is an estimate of the likelihood of a default over a given time horizon

Exposure at Default (EAD)

Exposure at Default (EAD) is the expected outstanding balance of the receivable at the point of default.

Loss given default

Loss given Default (LGD) is the amount that would be lost in the event of a default

Forward looking information

Considering this fact, and also considering that the inflation seems to be on the decline, the Company has assumed three scenarios as follows with the respective weights.

Scenario	As at 31, March 2021	Fair Value Hierarchy
1	2%	2%
2	0%	0%
3	10%	10%

Scenario 1: For each and every receivables all the buckets are bumped down by 2% and the ECL is computed as mentioned in the previous sections to arrive at the ECL. This scenario is given a weight of 10%

Scenario 2: ECL computed without any change in any of the buckets. This scenario is given a weight of 50%

Scenario 3: For each and every receivables all the buckets are bumped up by 5%/10% and the ECL is computed as mentioned in the previous sections to arrive at the ECL. This scenario is given a weight of 40%

Expected credit loss is then computed based on all the three scenarios. ECL is adjusted with the appropriate weights assigned for each scenario and the weighted average ECL is arrived at as the ECL for the year. The company has adopted a policy of not providing for expected credit losses on group company debtors.

Write off policy

Financial Assets are written off either partially or in their entirety only when the company has no reasonable expectation of recovery

Movement of Gross Exposures and impairment provision of the Financial Instruments

Particulars	Gross debtors	Provision
As at 31, March 2020	3,993	1,635
As at 31, March 2021	4,220	2,182

40 Maturity Analysis of Assets and Liabilities:

The Table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled:

As at March 31, 2021

Particulars	Upto 12 Months	More than 12 Months	Total
Financial Assets			
(a) Cash and cash equivalents	7,965		7,965
(b) Bank balances other than cash and cash equivalents	7,719		7,719
(c) Receivables			
(i) Trade receivables		5,437	5,437
(d) Investments		8,486	8,486
(e) Other financial assets		1,503	1,503
Non Financial Assets			
(a) Current tax assets (net)		3,117	3,117

(b) Deferred tax asset (net)		75	75
(c) Property, plant and equipment		3,629	3,629
(d) Right of use		1,695	1,695
(e) Intangible assets under development		47	47
(f) Other Intangible assets		104	104
(g) Other non-financial assets		1,365	1,365
Total Assets	**15,685**	**25,457**	**41,142**
Financial Liabilities			
(a) Trade Payables		3,491	3,491
(b) Borrowings	951		951
(c) Deposits		123	123
(d) Other financial liabilities		1,822	1,822
(e) Lease liabilities		101	101
Non Financial Liabilities			
(a) Provisions		254	254
(b) Other non-financial liabilities		338	338
Total Liabilities	**951**	**6,130**	**7,080**
Net	**14,734**	**19,328**	**34,062**

As at March 31, 2020

Particulars	Upto 12 Months	More than 12 Months	Total
Financial Assets			
(a) Cash and cash equivalents	9,835		9,835
(b) Bank balances other than cash and cash equivalents	4,280		4,280
(c) Receivables			
(i) Trade receivables		4,708	4,708
(d) Investments		8,303	8,303
(e) Other financial assets		578	578
Non Financial Assets			
(a) Current tax assets (net)		3,752	3,752
(b) Deferred tax asset (net)		140	140
(c) Property, plant and equipment		3,802	3,802
(d) Right of use		2,291	2,291
(e) Intangible assets under development		16	16
(f) Other Intangible assets		134	134
(g) Other non-financial assets		299	299
Total Assets	**14,115**	**24,024**	**38,138**
Financial Liabilities			
(a) Trade Payables		2,094	2,094
(b) Deposits		111	111
(c) Other Financial Liabilities		2,402	2,402
(d) Lease Liabilities		38	38
Non Financial Liabilities			
(a) Provisions		141	141
(b) Other non-financial liabilities		206	206
Total Liabilities	**-**	**4,993**	**4,992**
Net	**14,115**	**19,031**	**33,146**

41 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date

For Shah Gupta & Co
Chartered Accountants
Firm Registration No: 109574W

sd/-
Vedula Prabhakar Sharma
Partner
Membership No. 123088
UDIN: 21123088AAAACS6089

For and on behalf of the Board of Directors of

sd/-
Rakesh Sharma
Chairman
DIN: 06846594

sd/-
Iswar Padhan
Managing Director & CEO
DIN: 03560275

sd/-
V. Gopinath
Chief Financial Officer

sd/-
Christina D'souza
Company Secretary

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