



Annexure I

Disclosures to be provided along with the application for listing

1. Issuer details:

1.1. Details of the issuer:

(i)

Name	Standard Chartered Securities (India) Limited
Address	Registered Office: 2 <sup>nd</sup> Floor, 23-25 M.G. Road, Fort, Mumbai – 400001
CIN	U65990MH1994PLC079263
PAN	AAACU0622M

(ii) Line of business: Stock Broking

(iii) Chief Executive (Managing Director / President/ CEO / CFO) (iv) Group affiliation (if any).

Name	Designation
Mr. Rajeev Ratan Srivastava	Managing Director & CEO
Mr. Narayanan Raman	Chief Operating & Financial Officer

(iv) Group affiliation (if any): Standard Chartered Group

1.2. Details of the Directors

Name, Designation and DIN	Date of Birth	Address	Occupation	Director of the Company since	Details of other Directorship
Ms. Zarin Daruwala Designation: Non-executive Director DIN: 00034655	05/02/1965	Ashok Tower, B Wing, Flat 1907/1908, Dr. S. S. Rao Road, Parel, Opp. Bharatmata Cinema, Mumbai 400012	Service	22 July 2016	1. Standard Chartered Bank, India branch 2. Standard Chartered Capital Limited 3. Standard Chartered Global Business Services Private Limited 4. Indian Institute of Banking & Finance 5. Standard Chartered Research and Technology India Private Limited 6. National Institute of Bank Management, Pune 7. Standard Chartered Bank Nepal Limited

Standard Chartered Securities (India) Limited

Register Office : 2nd Floor, 23-25 M.G. Road  
Fort Mumbai - 400 001, India.  
www.standardcharteredtrade.co.in

Tel (+91-22) 61135 5999  
Fax (+91-22) 61135 5900



CIN - U65990MH1994PLC079263  
\*SEBI Single Registration No. - NSE & BSE : INZ000231932 |  
Research Analyst SEBI Registration No - INH000000966 | Mutual Fund ARN - 0354 |  
Mutual Fund ARN - 0354 | PMS Registration No. - PM / INP000003542



Mr. Gaurav Maheshwari Designation: Non-executive Director DIN: 07639132	13/03/1972	Flat No. 6, Sorab House Garden Road, Mumbai - 400001	Service	28 August 2020	1. Standard Chartered Private Equity Advisory (India) Private Limited 2. Standard Chartered Finance Private Limited 3. St. Helen's Nominees Private Limited
Mr. Sachin Shah Designation: Non-executive Director DIN: 09765131	23/08/1975	B/1002, Skyvistas, D. N. Nagar, Municipal School Road, Andheri (West), Bhai Bharat Marg, Azad Nagar, Mumbai - 400053	Service	22 December 2022	1. Standard Chartered Capital Limited (formerly Standard Chartered Investments and Loans (India) Limited) 2. Standard Chartered Finance Private Limited 3. St. Helen's Nominees India Private Limited 4. Standard Chartered Private Equity Advisory (India) Private Limited 5. Standard Chartered (India) Modeling and Analytics Centre Private Limited
Mr. Rajeev Ratan Srivastava Designation: Managing Director & CEO DIN: 07053900	12/04/1975	A-1704, Mahindra Life Spaces, LBS Road, Bhandup(W), Mumbai-78	Service	11 October 2021	NIL

1.3 Details of change in directors in last three financial years including any change in the current year:

Name, Designation and DIN	Date of appointment /resignation	Date of cessation (in case of resignation)	Remarks (viz. reason for change etc.)
Mr. Sachin Shah – Non-executive Director DIN: 09765131	Appointed w.e.f. 22 December 2022	NA	
Mr. K V Subramanian – Non-executive Director DIN: 07842700	Resigned w.e.f. 13 October 2022		

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Mr. Abhinav Trivedi – Managing Director & CEO DIN: 08729945	Appointed w.e.f. 20 April 2020	Resigned w.e.f. 11 October 2021	
Mr. Rajeev Ratan Srivastava – Managing Director & CEO DIN: 07053900	Appointed w.e.f. 11 October 2021	NA	
Mr. Saurabh Jain – Non-executive Director DIN: 0008572812	Resigned w.e.f. 27 July 2021		
Mr. Pradeep Iyer – Non- executive Director DIN: 07352497	Resigned w.e.f. 27 July 2021		
Mr. Samrat Khosla – Non-executive Director DIN: 08860627	Appointed w.e.f. 16 September 2020	Resigned w.e.f. 27 July 2021	
Mr. Kusal Roy – Non- executive Director DIN: 02268654	Appointed w.e.f. 28 August 2020	Resigned w.e.f. 27 July 2021	

1.4 List of top 10 holders of equity shares of the company as on date or the latest quarter end:

Sr. No.	Name and category of shareholder	Total no. of equity shares	No. of shares in demat form	Total shareholding as % of total no. of equity shares
1	Standard Chartered Bank (Mauritius) Limited	281,855,642	281,855,632	100%
2	*Rajeev Ratan Srivastava	10	-	0.00%
3	*Mr. Hoshedar Lalkaka	10	-	0.00%
4	*Mr. Mitesh Dalal	10	-	0.00%
5	*Mr. TG Ravichandran	10	-	0.00%
6	*Mr. Ankit Parmar	10	-	0.00%
7	*Mr. Narayanan Raman	5	-	0.00%
8	*Mr. Vinod Paul	5	-	0.00%
	<b>Total</b>	<b>281,855,702</b>		<b>100%</b>

\*All these individuals (Nominee shareholders) hold the shares under the beneficial interest of Standard Chartered Bank (Mauritius) Limited.

1.5 Details of the Statutory Auditors:

Name and Address	Date of Appointment	Remarks
S. R. Batliboi & Co. LLP Chartered Accountants	24 September 2020	

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12th Floor, The Ruby,  
29 Senapati Bapat Marg,  
Dadar (West), Mumbai –  
400028.

1.6 Details of the change in statutory auditors in last three financial years including any change in the current year: **No change**

1.7 List of top 10 debt securities holders:

**Not Applicable**

1.8 List of top 10 CP holders as on 30 June 2024:

Sr. No.	Name of CP Holder	Category of CP Holder	Face value of CP holding (INR)	CP holding percentage as a percentage of total CP outstanding of the issuer
1	Andhra Paper Ltd.	Corporate	40,00,00,000/-	12.90%
2	U K Paints (India) Pvt. Ltd.	Corporate	15,00,00,000/-	4.84%
3	Aditya Birla Sun Life Trustee Pvt. Ltd.	Mutual Fund Company	50,00,00,000/-	16.13%
4	Nippon Life India Trustee Ltd.	Mutual Fund Company	50,00,00,000/-	16.13%
5	ICICI Prudential Money Market Fund	Mutual Fund Company	75,00,00,000/-	24.19%
6	Tata Mutual Fund	Mutual Fund Company	25,00,00,000/-	8.06%
7	Birla Corporation Ltd.	Corporate	25,00,00,000/-	8.06%
8	Barmalt Malting (India) Pvt. Ltd.	Corporate	30,00,00,000/-	9.69%
<b>Total</b>			<b>310,00,00,000/-</b>	<b>100%</b>

## 2. Material Information:

2.1 Details of all default/s and/or delay in payments of interest and principal of CPs, (including technical delay), debt securities, term loans, external commercial borrowings and other financial indebtedness including corporate guarantee issued in the past 5 financial years including in the current financial year. **NIL**

2.2 Ongoing and/or outstanding material litigation and regulatory strictures, if any.

**As disclosed in Note 37 (Contingent Liabilities) of the attached Audited Financial Statements for FY 2023-24**

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2.3 Any material event/ development having implications on the financials/credit quality including any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event which may affect the issue or the investor's decision to invest / continue to invest in the CP. **NONE**

**3. Details of borrowings of the company, as on the latest quarter end:**

**3.1 Details of debt securities and CPs: Refer Exhibit A**

Series	ISIN	Tenor/Period of maturity	Coupon	Amount issued	Date of allotment	Redemption date /Schedule	Credit rating	Secured /Unsecured	Security	Other details viz. Details of IPA, Details of CRA



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**3.2 Details of secured/ unsecured loan facilities/ bank fund based facilities/ rest of the borrowing, if any, including hybrid debt like foreign currency convertible bonds (FCCB), optionally convertible debentures / preference shares from banks or financial institutions or financial creditors, as on last quarter end: Refer Exhibit B**

Lenders Name/Name of the Bank	Nature of facility/Instrument	Amount sanctioned	Principal Amount outstanding	Repayment date/Schedule	Security, if applicable	Credit rating, if applicable	Asset classification

3.3 The amount of corporate guarantee or letter of comfort issued by the issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued, contingent liability including debt service reserve account (DSRA) guarantees/ any put option etc.  
NIL

**4. Issue Information:**

4.1 Details of current tranche including ISIN, amount, date of issue, maturity, all credit ratings including unaccepted ratings, date of rating, name of credit rating agency, its validity period (details of credit rating letter issued not older than one month on the date of opening of the issue), details of issuing and paying agent and other conditions, if any:

ISIN	Amount issued (INR in Cr.)	Date of issue	Redemption Date	Issuing and Paying Agent (IPA)	Other conditions
INE472H14383	25	12 July 2024	6 March 2025	HDFC Bank Limited	NA

Rating agency	Rating assigned	Date of rating	Validity period
ICRA Limited	A1+	21 May 2024	20 August 2024

4.2 CP borrowing limit, supporting board resolution for CP borrowing, details of CP issued during the last 15 months.  
**Refer Exhibit C**

4.3 **End-use of funds:** To fund the working Capital requirements including funding of Margin Trading facility provided to clients

**4.4. Credit Support/enhancement (if any): Not Applicable**

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## 5. Financial Information: Refer Exhibit D

5.1 Audited / Limited review half yearly consolidated (wherever available) and standalone financial information (Profit & Loss statement, Balance Sheet and Cash Flow statement) along with auditor qualifications, if any, for last three years along with latest available financial results. In case an issuer is required to prepare financial results for the purpose of consolidated financial results in terms of Regulation 33 of SEBI LODR Regulations, latest available quarterly financial results shall be filed.

5.2 Latest audited financials should not be older than six month from the date of application for listing.

Provided that listed issuers (who have already listed their specified securities and/or 'Non-convertible Debt Securities' (NCDs) and/or 'Non-Convertible Redeemable Preference Shares' (NCRPS)) who are in compliance with SEBI (Listing obligations and disclosure requirements) Regulations 2015 (hereinafter "SEBI LODR Regulations"), may file unaudited financials with limited review for the stub period in the current financial year, subject to making necessary disclosures in this regard including risk factors.

## 6. Asset Liability Management (ALM) Disclosures: Not Applicable

6.1. NBFCs seeking to list their CPs shall make disclosures as specified for NBFCs in SEBI Circular nos. CIR/IMD/DF/ 12 /2014, dated June 17, 2014 and CIR/IMD/DF/ 6 /2015, dated September 15, 2015, as revised from time to time. Further, "Total assets under management", under para 1.a. of Annexure I of CIR/IMD/DF/ 6 /2015, dated September 15, 2015 shall also include details of off balance sheet assets.

6.2. HFCs shall make disclosures as specified for NBFCs in SEBI Circular no. CIR/IMD/DF/ 6 /2015, dated September 15, 2015, as revised from time to time with appropriate modifications viz. retail housing loan, loan against property, wholesale loan - developer and others.

For **Standard Chartered Securities (India) Limited**

**Narayanan Raman**  
Chief Operating & Financial Officer



**Mumbai**  
**9 July 2024**

**Standard Chartered Securities (India) Limited**

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**EXHIBIT A:****3.1 Details of debt securities and CPs as on 30 June 2024:**

Commercial Paper:

Series	ISIN	Tenor/Period of maturity	Coupon	Amount issued	Date of allotment	Redemption date /Schedule	Credit rating	Secured /Unsecured	Security	Other details viz. Details of IPA, Details of CRA
1	INE472H14169	90	6.70%	10 Crores	21 October 2022	19 January 2023	A1+	Unsecured	Not Applicable	IPA – HDFC Bank Limited CRA: ICRA Limited
2	INE472H14177	91	7%	40 Crores	28 October 2022	27 January 2023	A1+			
3	INE472H14185	277	8.10%	10 Crores	4 May 2023	5 February 2024	A1+			
4	INE472H14193	90	7.80%	20 Crores	22 June 2023	20 September 2023	A1+			
5	INE472H14201	90	7.90%	25 Crores	18 August 2023	16 November 2023	A1+			
6	INE472H14219	90	7.60%	25 Crores	20 September 2023	19 December 2023	A1+			
7	INE472H14227	90	8.00%	25 Crores	29 September 2023	28 December 2023	A1+			
8	INE472H14235	111	7.95%	15 Crores	24 November 2023	14 March 2024	A1+			



9	INE472H14243	90	8.50%	25 Crores	13 December 2023	12 March 2024	A1+		
10	INE472H14250	75	8.40%	25 Crores	5 January 2024	20 March 2024	A1+		
11	INE472H14268	180	8.55%	10 Crores	9 February 2024	7 August 2024	A1+		
12	INE472H14276	365	9.25%	25 Crores	12 February 2024	11 February 2025	A1+		
13	INE472H14284	364	9.25%	25 Crores	20 February 2024	18 February 2025	A1+		
14	INE472H14292	365	9.25%	25 Crores	22 February 2024	21 February 2025	A1+		
15	INE472H14292	365	9.25%	25 Crores	22 February 2024	21 February 2025	A1+		
16	INE472H14292	364	9.25%	25 Crores	23 February 2024	21 February 2025	A1+		
17	INE472H14300	181	8.50%	15 Cores	12 March 2024	9 September 2024	A1+		
18	INE472H14318	365	8.95%	25 Crores	19 March 2024	19 March 2025			
19	INE472H14326	181	8.90%	25 Crores	19 March 2024	16 September 2024			
20	INE472H14334	180	8.60%	25 Crores	22 March 2024	18 September 2024			



21	INE472H14342	181	8.62%	30 Crores	7 May 2024	4 November 2024			
22	INE472H14359	181	8.50%	15 Crores	14 May 2024	11 November 2024			
23	INE472H14367	304	8.60%	15 Crores	3 June 2024	3 April 2025			
24	INE472H14375	161	8.75%	25 Crores	5 July 2024	13 December 2024			



3.1 Details of secured/ unsecured loan facilities/ bank fund based facilities/ rest of the borrowing, if any, including hybrid debt like foreign currency convertible bonds (FCCB), optionally convertible debentures / preference shares from banks or financial institutions or financial creditors, as on last quarter end:

## EXHIBIT B

As on 30 June 2024

Amount in crores

Lenders Name/Name of the Bank	Nature of facility/Instrument	Amount sanctioned	Principal Amount outstanding	Repayment date/ Schedule	Security, if applicable	Credit rating, if applicable	Asset classification
IndusInd Bank	Overdraft	75.00	22.97		Fixed Deposits	ICRA AAA (Stable)	Standard
IndusInd Bank	Overdraft	120.00	-		Book Debts	ICRA AAA (Stable)	Standard
IDFC First Bank	Overdraft	30.00	-		Fixed Deposits	ICRA AAA (Stable)	Standard
Standard Chartered Bank	Overdraft	30.00	-		Fixed Deposits	ICRA AAA (Stable)	Standard
Standard Chartered Capital Limited	Term Loan	-	25.00	07-Oct-2025	NA	ICRA AAA (Stable)	Standard
			25.00	21-Oct-2025			Standard



**Exhibit C:**

**Details of CP issued during the last 15 months:**

ISIN Number	Issue date	Amount in (Crores)	End date	Amount o/s (Crores)	IPA	CRA	Rating	Rated Amount
INE472H14169	21 October 2022	10	19 January 2023	NIL				50 Crores
INE472H14177	28 October 2022	40	27 January 2023	NIL				
INE472H14185	4 May 2023	10	5 February 2024	NIL				
INE472H14193	22 June 2023	20	20 September 2023	NIL			200 Crores	
INE472H14201	18 August 2023	25	16 November 2023	NIL				
INE472H14219	20 September 2023	25	19 December 2023	NIL				
INE472H14227	29 September 2023	25	28 December 2023	NIL	HDFC BANK LTD.			
INE472H14235	24 November 2023	15	14 March 2024	NIL	ICRA LTD.	A1+		
INE472H14243	13 December 2023	25	12 March 2024	NIL			300 Crores	
INE472H14250	5 January 2024	25	20 March 2024	NIL				
INE472H14268	9 February 2024	10	7 August 2024	10				
INE472H14276	12 February 2024	25	11 February 2025	25			25	
INE472H14284	20 February 2024	25	18 February 2025	25				



INE472H14292	22 February 2024	25	21 February 2025	25				
	22 February 2024	25	21 February 2025	25				
	23 February 2024	25	21 February 2025	25				
INE472H14300	12 March 2024	15	9 September 2024	15				
INE472H14318	19 March 2024	25	19 March 2025	25				
INE472H14326	19 March 2024	25	16 September 2024	25				
INE472H14334	22 March 2024	25	18 September 2024	25				
INE472H14342	7 May 2024	30	4 November 2024	30				
INE472H14359	14 May 2024	15	11 November 2024	15				
INE472H14367	3 June 2024	15	3 April 2025	15				
INE472H14375	5 July 2024	25	13 December 2024	25				
								500 Crores





**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 136<sup>th</sup> MEETING OF THE BOARD OF DIRECTORS OF STANDARD CHARTERED SECURITIES (INDIA) LIMITED ("THE COMPANY") HELD THURSDAY, 26 SEPTEMBER 2023 IN GODAVARI MEETING ROOM, 3A FLR, CRESCENZO BUILDING, G BLOCK, BANDRA KURLA COMPLEX, BANDRA (EAST), MUMBAI - 400051**

**"RESOLVED THAT** in supersession of earlier resolutions passed in this regard pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (as amended or re-enacted from time to time) and other applicable provisions if any, and subject to the ceiling amount specified by the Rating Agency, the consent of the Board be and is hereby accorded for issuance of Commercial Papers upto an amount not exceeding INR 10,000 Million (Rupees Ten Thousand Million only) (including the money already borrowed by the Company) on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by the company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) and remaining un-discharged at any given time, exceeds the aggregate, for the time being of the paid-up capital and free reserves of the Company from any bank and/or financial institution and/or non-banking financial company and/or mutual fund companies and/or group company/affiliates and/or corporates and/or body corporates and/or individuals as the Board of Directors may deem fit.

**RESOLVED FURTHER THAT** the Managing Director, Chief Operating & Financial Officer and Company Secretary and Regional Heads (i.e. Head of Branch Office) be and are hereby severally authorized for executing all such documents, instruments and writings in this regard.

**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and is hereby authorized to file a certified copy of the aforesaid resolution with the Office of the Registrar of Companies, Maharashtra, Mumbai under Section 117(3) read with Section 179 of Companies Act, 2013 and Rule 8 of the Companies (Meetings of Board and its Powers) Rules, 2014.

For **Standard Chartered Securities (India) Limited**

  
**Shashikala Vishwakarma**  
**Company Secretary**  
**(A43294)**



**Date: 6 February 2024**

Add: 23-25 M. G. Road, 2<sup>nd</sup> Floor, Fort, Mumbai – 400001

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Ref: ICRA/ Standard Chartered Securities (India) Limited /21052024/1

Date: May 21, 2024

**Mr. Narayanan Raman**  
Chief Operating and Financial Officer  
**Standard Chartered Securities (India) Limited**  
2<sup>nd</sup> Floor, 23-25 M.G. Road,  
Fort, Mumbai – 400 001

Dear Sir,

**Re: ICRA credit rating for Rs. 500.00 crore Commercial Paper (CP) programme of Standard Chartered Securities (India) Limited**

Please refer to your request dated May 03, 2024, for revalidating the rating letter issued for the captioned programme.

We confirm that the **[ICRA]A1+** (pronounced as ICRA A one plus) rating assigned to your captioned programme and last communicated to you vide our letter dated **March 22, 2024**, stands. Instruments with [ICRA]A1 rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk. Within this category, rating modifier {"+" (plus)} can be used with the rating symbol. The modifier reflects the comparative standing within the category.

In any of your publicity material or other document wherever you are using the above rating, it should be stated as "**[ICRA]A1+**".

Additionally, we wish to highlight the following with respect to the rating:

- (a) If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter, the rating would need to be revalidated before issuance;
- (b) Subject to Clause (c) below, once the instrument is issued, the rating is valid throughout the life of the captioned programme (which shall have a maximum maturity of twelve months from the date of the issuance of the instrument).
- (c) Notwithstanding anything contained in clause (b) above, ICRA reserves the right to review and/or, revise the above rating at any time on the basis of new information or unavailability of information or such circumstances, which ICRA believes, may have an impact on the aforesaid rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the CP issued by you. The rating is restricted to your CP Programme size of **Rs. 500.00 crore** only.

In case, you propose to enhance the size of CP Programme, the same would be required to be rated afresh. ICRA does not assume any responsibility on its part, for any liability, that may arise consequent to your not complying with any eligibility criteria, applicable from time to time, for issuance of CP.

You are requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing. You are also requested to keep us forthwith informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s).



ICRA

ICRA Limited

Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority (ies) is exceeded.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

For ICRA Limited

**Anil Gupta**

Senior Vice President

[anilg@icraindia.com](mailto:anilg@icraindia.com)

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DLF Cyber City, Phase II  
Gurugram – 122002, Haryana

Tel.: +91.124 .4545300  
CIN : L749999DL1991PLC042749

Website: [www.icra.in](http://www.icra.in)  
Email: [info@icraindia.com](mailto:info@icraindia.com)  
Helpdesk: +91 9354738909

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

**RATING • RESEARCH • INFORMATION**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Standard Chartered Securities (India) Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Standard Chartered Securities (India) Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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, 2024, 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.



Key audit matter	How our audit addressed the key audit matter
<b>IT Systems and controls</b>	
<p>The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes.</p> <p>Automated accounting procedures and IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure accurate financial reporting.</p> <p>Therefore, due to the pervasive nature and complexity of the IT environment, the assessment of the general IT controls and the application controls specific to the accounting and preparation of the financial information is considered to be a key audit matter.</p>	<p>We performed the following procedures assisted by specialized IT auditors on the IT infrastructure and applications relevant to financial reporting:</p> <ul style="list-style-type: none"> <li>• Tested the design and operating effectiveness of IT access controls, including audit trail, over the information systems that are relevant to financial reporting and relevant interfaces, configuration and other identified application controls.</li> <li>• Tested IT general controls (logical access, change management and aspects of IT operational controls). This included testing that requests for access and changes of access to systems were appropriately reviewed, authorized.</li> <li>• Tested the Company's periodic review of access rights.</li> <li>• We also tested requests of changes to systems for approval and authorization.</li> <li>• Tested the design and operating effectiveness of compensating manual controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.</li> </ul>

**Other Information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited financial statements. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

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



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material misstatement, whether due to fraud or error.

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to 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 except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) the Companies (Audit and Auditors) Rules, 2014, as amended;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as "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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, as amended;
  - (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (h) In our opinion, the managerial remuneration for the year ended March 31, 2024 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 financial statements - Refer Note 37 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 49(vi)(a) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), or entity, including



# S.R. BATLIBOI & CO. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited

foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 49(vi)(b) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Company; and
- vi. Based on our examination which included test checks, the Company has used three accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data when using certain access rights, as described in note 2.1(iii) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software(s) where audit trail has been enabled.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



per Rutushtra Patell  
Partner  
Membership Number: 123596  
UDIN: 24123596BKCIBY7408

Place: Pali, Maharashtra  
Date: May 29, 2024



# S.R. BATLIBOI & CO. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Standard Chartered Securities (India) Limited

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 49(v) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the audited/unaudited books of accounts of the Company. The Company does not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.
- (iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties as follows:

(Indian rupees in 000's)

Particulars	Guarantees	Security	Loans	Advances in nature of loan
Aggregate amount granted/ provided during the year	Not applicable	Not applicable	Margin trade funding loans provided to others	Not applicable
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	32,816,438	-
Balance outstanding as at balance sheet date in respect of above cases				



# S.R. BATLIBOI & CO. LLP

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## Standard Chartered Securities (India) Limited

- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	3,233,695	-

- (b) During the year, the terms and conditions of the grant of all loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

During the year the Company has not made investments, provided guarantees, given security and granted advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loans. (Refer reporting under clause (iii)(f) below)

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly, the requirement to report on this is not applicable.

- (d) There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (f) As disclosed in note 6 to the financial statements, during the year, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties as stated below and none of these are granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	All Parties (Rs. in '000s)
Aggregate amount of loans/ advances in nature of loans	32,816,438
- Repayable on demand	
Percentage of loans/ advances in nature of loans to the total loans	100%

The Company has not granted advances in the nature of loans or loans other than margin trade funding facility, either repayable on demand or without specifying any terms or period repayment to Companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.



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- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of sales tax, duty of customs, duty of excise and value added tax are currently not applicable to the Company.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in 000s)	Amount (Rs. in 000s)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Demand under Section 156 of the Income Tax Act, 1961	Rs. 3,080	Nil	Assessment years 2004-05, 2006-07 and 2008-09	Income Tax Appellate Tribunal, Mumbai
The Finance Act, 1994	Service tax	Rs.12,590	Rs.1,259*	October 2013 to Sep 2014	Customs, Excise and Service Tax Appellate Tribunal, Mumbai

\*paid under protest

As informed, the provisions of sales tax, duty of customs, duty of excise and value added tax are currently not applicable to the Company.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.



# S.R. BATLIBOI & CO. LLP

Chartered Accountants

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- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) As represented by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-1A of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Standard Chartered Securities (India) Limited

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- (xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 36 to the financial statements.

For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



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per Rutushtra Patell  
Partner  
Membership Number: 123596  
UDIN: 24123596BKCIBY7408

Place: Pali, Maharashtra  
Date: May 29, 2024



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF STANDARD CHARTERED SECURITIES (INDIA) LIMITED**

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

We have audited the internal financial controls with reference to of Standard Chartered Securities (India) Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls with reference to these Financial Statements**

A company's internal financial controls with reference to 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 controls with reference to 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 financial statements.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Standard Chartered Securities (India) Limited

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## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, 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 issued by the ICAI.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



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per Rutushtra Patell

Partner

Membership Number: 123596

UDIN: 24123596BKCIBY7408

Place: Pali, Maharashtra

Date: May 29, 2024



**Standard Chartered Securities (India) Limited**  
 CIN: U65990MH1994PLC079263  
 Registered Office: 2nd Floor, 23-25 M. G. Road, Fort, Mumbai - 400001, India  
**Balance Sheet as at 31 March 2024**

(Currency: Indian Rupees in 000's)

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
Cash and cash equivalents	3	318,258	122,494
Bank balance other than cash and cash equivalents	4	2,951,076	2,525,594
Trade receivables	5	732,759	661,455
Loans	6	3,233,695	2,369,594
Investments	7	10	45,708
Other financial assets	8	151,032	40,979
Financial assets held for sale	9	266,789	-
		<b>7,653,619</b>	<b>5,765,824</b>
<b>2 Non-financial Assets</b>			
Property, plant and equipment	10	77,677	78,663
Capital work-in-progress	10	-	11,225
Intangible assets	10	70,374	23,250
Intangible assets under development	10	6,404	56,702
Current tax assets (net)	11	144,941	145,294
Deferred tax assets (net)	12	-	57,850
Other non financial assets	13	34,856	33,748
		<b>334,252</b>	<b>406,732</b>
<b>TOTAL ASSETS ( 1 + 2 )</b>		<b>7,987,871</b>	<b>6,172,556</b>
<b>LIABILITIES AND EQUITY</b>			
<b>1 Financial Liabilities</b>			
<b>(I) Trade payables</b>			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	1,032,489	1,126,812
<b>(II) Other payables</b>			
(i) total outstanding dues of micro enterprises and small enterprises	14	2,771	217
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		46,884	70,695
Debts securities	15	2,108,177	-
Borrowings (other than debt securities)	15A	1,250,000	1,854,190
Deposits	16	840	840
Other financial liabilities	17	30,518	22,710
		<b>4,471,679</b>	<b>3,075,464</b>
<b>2 Non-financial Liabilities</b>			
Current tax liabilities (net)	18	7,224	7,120
Provisions	19	59,583	53,897
Other non-financial liabilities	20	71,401	72,972
Deferred tax liability (net)	12	273	-
		<b>138,481</b>	<b>133,989</b>
<b>3 Equity</b>			
Equity share capital	21	2,818,557	2,818,557
Other equity	22	559,154	144,546
		<b>3,377,711</b>	<b>2,963,103</b>
<b>TOTAL LIABILITIES AND EQUITY ( 1 + 2 + 3 )</b>		<b>7,987,871</b>	<b>6,172,556</b>

The accompanying notes forms an integral part of this financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number : 301003E/E300005

  
 per Rutushtra Patell  
 Partner

Membership No. 123596

29 May 2024

Pali, Maharashtra



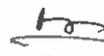
For and on behalf of the Board of Directors of

STANDARD CHARTERED SECURITIES (INDIA) LIMITED

  
 Zarin Daruwala

Director

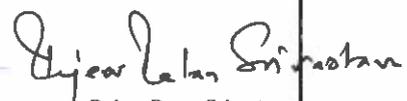
DIN : 00034655

  
 Narayanan Raman  
 COO & CFO

29 May 2024

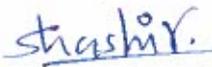
Mumbai



  
 Rajeev Ratan Srivastava

Managing Director & CEO

DIN : 07053900

  
 Shashikala Vishwakarma  
 Company Secretary

**Standard Chartered Securities (India) Limited**

CIN: U65990MH1994PLC079263

Registered Office: 2nd Floor, 23-25 M. G. Road, Fort, Mumbai - 400001, India

**Statement of Profit and Loss for the year ended 31 March 2024**

(Currency: Indian Rupees in 000's)

Particulars	Notes	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>Revenue from operations</b>			
(i) Fees and commission income	23	542,684	368,499
(ii) Interest income	24	490,284	404,665
<b>(I) Total revenue from operations</b>		<b>1,032,968</b>	<b>773,164</b>
<b>(II) Other income</b>	25	<b>84,178</b>	<b>72,928</b>
<b>(III) Total income (I + II)</b>		<b>1,117,146</b>	<b>846,092</b>
<b>Expenses</b>			
(i) Employee benefits expenses	26	308,294	255,837
(ii) Other expenses	27	198,495	177,679
(iii) Depreciation and amortization	28	51,844	46,121
(iv) Finance cost	29	252,273	186,074
(v) Impairment on financial instruments		(17)	132
<b>(IV) Total expenses (IV)</b>		<b>810,889</b>	<b>665,843</b>
<b>(V) Profit/(loss) before tax (III - IV)</b>		<b>306,257</b>	<b>180,249</b>
<b>(VI) Tax expense:</b>	44		
(i) Current tax		53,495	31,428
(ii) Deferred tax (credit) / charge		36,213	29,915
(iii) Taxes for earlier years		(636)	-
<b>Total tax expenses (VI)</b>		<b>89,072</b>	<b>61,343</b>
<b>(VII) Profit/(loss) after tax (V - VI)</b>		<b>217,185</b>	<b>118,906</b>
<b>(VIII) Other comprehensive income</b>			
Items that will not be classified to profit or loss			
(i) Actuarial gain / (loss) on defined benefit plans		208	1,675
(ii) Tax impact on above		(61)	(488)
(iii) Changes in fair gain / (loss) value of equity instruments at FVOCI		221,091	(54,405)
(iv) Tax impact on above		(23,815)	4,396
<b>Other comprehensive income (VIII)</b>		<b>197,423</b>	<b>(48,822)</b>
<b>(IX) Total comprehensive income (VII + VIII)</b>		<b>414,608</b>	<b>70,084</b>
<b>(X) Earning per share (face value Rs. 10 per Equity Share)(not annualized for interim periods)</b>	30		
Basic (in Rs.)		0.77	0.42
Diluted (in Rs.)		0.77	0.42

The accompanying notes forms an integral part of this financial statements

As per our report of even date  
For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm registration number : 301003E/E300005

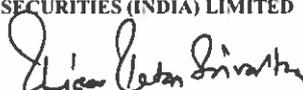
  
per Rutushra Patell  
Partner  
Membership No.123596  
29 May 2024  
Pali Maharashtra



For and on behalf of the Board of Directors of  
STANDARD CHARTERED SECURITIES (INDIA) LIMITED

  
Zarin Daruwala

Director  
DIN : 00034655

  
Rajeev Ratan Srivastava

Managing Director & CEO  
DIN : 07053900

  
Narayanan Raman  
COO & CFO  
29 May 2024  
Mumbai

  
Shashikala Vishwakarma  
Company Secretary



**Standard Chartered Securities (India) Limited**  
 CTIN: U65990MH1994PLC079263  
 Registered Office: 2nd Floor, 23-25 M. G. Road, Fort, Mumbai - 400001, India  
**Statement of Cash flow as at 31 March 2024**

(Currency: Indian Rupees in 000's)

Particulars	For the year ended	
	31st March 2024	31st March 2023
<b>A. Cash flow from operating activities</b>		
Profit before tax for the period	306,257	180,249
<b>Adjustments for non-cash and non-operating activities:</b>		
Depreciation and amortisation expense	51,844	46,121
Provisions for claims	861	892
Provisions and write off - debts	(17)	132
Provisions and write off - others	1,750	1,210
(Profit)/Loss on sale of Property, Plant and Equipments	(21)	(40)
Interest expense on borrowings	252,273	186,074
Interest income on fixed deposits	(82,844)	(71,142)
Dividend received	(1,272)	(1,432)
<b>Operating profit before working capital changes</b>	<b>528,831</b>	<b>342,064</b>
<b>Changes in working capital:</b>		
(Increase)/Decrease in trade receivables	(71,287)	216,395
(Increase) in Loans	(864,101)	(408,356)
(Increase) in other financial assets	(110,053)	(1,129)
(Increase) in other non financial assets	(1,108)	(5,021)
(Increase) in bank balances other than cash and cash equivalent	(388,325)	(543,431)
(Decrease)/Increase in financial liabilities	(114,180)	268,392
Increase in provisions	4,825	2,302
(Decrease) in other non financial liabilities	(1,571)	(231)
	<b>(1,545,800)</b>	<b>(471,079)</b>
<b>Cash used in operations</b>	<b>(1,016,969)</b>	<b>(129,015)</b>
Income taxes Paid	(54,366)	(31,352)
<b>Net cash used in operating activities</b>	<b>(1,071,335)</b>	<b>(160,367)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and assets under development	(25,852)	(62,041)
Sale of property, plant and equipment	25	60
Dividend Income received	1,272	1,432
Interest Income received on fixed deposits	45,687	13,601
<b>Net cash generated from investing activities</b>	<b>21,132</b>	<b>(46,948)</b>
<b>C. Cash Flow from financing activities</b>		
Interest expense on borrowings	(235,248)	(185,180)
Proceeds from issuance of commercial paper	3,756,192	-
Redemption of commercial paper	(1,663,309)	-
Proceeds from long-term borrowings	(250,000)	400,000
Net proceeds from short-term borrowings	(354,190)	49,331
Payment of lease liabilities including interest	(7,478)	(7,096)
<b>Net cash generated from financing activities</b>	<b>1,245,967</b>	<b>257,055</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>195,764</b>	<b>49,740</b>
Cash and cash equivalents at the beginning of the year	122,494	72,754
<b>Cash and cash equivalents at the end of the year (Refer Note 1 below.)</b>	<b>318,258</b>	<b>122,494</b>



**Standard Chartered Securities (India) Limited**  
 CIN: U65990MH1994PLC079263  
 Registered Office: 2nd Floor, 23-25 M. G. Road, Fort, Mumbai - 400001, India  
**Statement of Cash flow as at 31 March 2024**

(Currency: Indian Rupees in 000's)

Particulars	For the year ended	
	31st March 2024	31st March 2023
<b>Notes to Cash flow statement:</b>		
<b>1. Components of cash and cash equivalents:</b>		
Balances with bank in current accounts	43,570	119,491
Fixed deposits	274,688	3,003
<b>Cash and cash equivalents at the end of the year</b>	<b>318,258</b>	<b>122,494</b>

2. The Cash Flow statement has been prepared under Indirect Method as set out in Ind AS 7 - "Statement of Cash Flows".

As per our report of even date  
**For S.R. Batliboi & Co. LLP**  
 Chartered Accountants  
 ICAI Firm registration number : 301003E/E300005



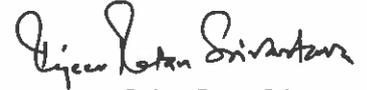
per **Rutushtra Patell**

Partner  
 Membership No. 123596  
 29 May 2024  
 Pali, Maharashtra

For and on behalf of the Board of Directors of  
**STANDARD CHARTERED SECURITIES (INDIA) LIMITED**



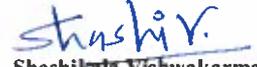
**Zarin Daruwala**  
 Director  
 DIN : 00034655



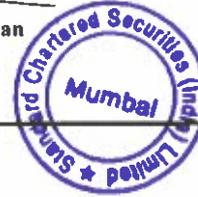
**Rajeev Ratan Srivastava**  
 Managing Director & CEO  
 DIN : 07053900



**Narayanan Raman**  
 COO & CFO  
 29 May 2024  
 Mumbai



**Shashikata Vishwakarma**  
 Company Secretary



Standard Chartered Securities (India) Limited  
Statement of changes in equity as at 31st March 2024  
(Currency: Indian Rupees in 000's)

1. Equity share capital

Particulars	No of Shares	Rs.
As at 1 April 2023	281,855,702	2,818,557
Changes in Equity share capital due to prior year errors	-	-
Change in Equity share capital during the year	-	-
As at 31 March 2024	281,855,702	2,818,557
As at 1 April 2022	281,855,702	2,818,557
Changes in Equity share capital due to prior year errors	-	-
Change in Equity share capital during the year	-	-
As at 31 March 2023	281,855,702	2,818,557

2. Other equity

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities premium	Retained earnings	General reserve	Equity instruments designated at FVOCI	
Balance as at 1 April, 2023	2,060,447	(2,083,656)	125,611	42,144	144,546
Profit after tax	-	217,185	-	-	217,185
Other comprehensive income for the year	-	147	-	197,276	197,423
Balance as at 31 March, 2024	2,060,447	(1,866,324)	125,611	239,420	559,154
Balance as at 1 April, 2022	2,060,447	(2,203,749)	125,611	92,153	74,462
Profit after tax	-	118,906	-	-	118,906
Other comprehensive income for the year	-	1,187	-	(50,009)	(48,822)
Balance as at 31 March, 2023	2,060,447	(2,083,656)	125,611	42,144	144,546

The accompanying notes forms an integral part of this financial statements.

As per our report of even date  
For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm registration number : 301003E/E300005

*Exp.*

per Rutushtra Patell  
Partner  
Membership No.123596  
29 May 2024  
Pali, Maharashtra



For and on behalf of the Board of Directors of  
STANDARD CHARTERED SECURITIES (INDIA) LIMITED

*Zarin Daruwala*

Zarin Daruwala  
Director  
DIN : 00034655

*Rajeev Ratan Srivastava*

Rajeev Ratan Srivastava  
Managing Director & CEO  
DIN : 07053900

*HT*

Narayanan Raman  
COO & CFO

29 May 2024  
Mumbai

*Shashika*

Shashikala Vishwakarma  
Company Secretary



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

### 1. Corporate Information

Standard Chartered Securities (India) Limited (the "Company") was incorporated under the Companies Act, 1956 on 28 June 1994. The Company is primarily engaged in broking activity on the National Stock Exchange and Bombay Stock Exchange Ltd, Mumbai. The Company has membership for Cash, Derivatives, Currency Derivatives and Debt Segments. The Company also provides Online Trading, Portfolio Management Services and distributes third party financial products. The Company caters to retail clients through its network of 6 Branches across 6 cities in India. The registered office of the Company is located at 2<sup>nd</sup> Floor, 23-25 M.G. Road, Fort, Mumbai - 400001, Maharashtra, India.

### 2. Summary of Material accounting policies

#### 2.1 i. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

Accounting policies have been consistently applied except where newly issued accounting standard is adopted during the current year or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### ii. Presentation of Financial statements

The Company presents its balance sheet, statement of profit and loss, statement of cash flow and statement of changes in equity in order of liquidity in compliance with the Division III of the Schedule III to The Companies Act, 2013. The financial statements are presented in Indian Rupees which is also the functional currency of the company. Figures are rounded off to the nearest thousand, except when otherwise indicated. The Statement of Cash Flows has been prepared under the Indirect Method set out in Ind AS 7 - "Statement of Cash Flows".

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

#### iii. Maintenance of books of accounts

Daily back up of books of accounts and accounting records, is taken on servers physically located in India.

The Company has used three accounting software(s) for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled at the database level when using certain access rights insofar as it relates to Liddha Diddha, Moneyware integra (Miles) and Peoplesoft General Ledger. Further, no instance of audit trail feature being tampered with was noted in respect of these softwares.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

### 2.2 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### 2.3 Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company recognizes all the financial assets and liabilities at its fair value on initial recognition. In the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset are added to the fair value on initial recognition. The financial assets are accounted on a trade date basis.

For subsequent measurement, financial assets are categorised into:

- i. **Amortised cost:** The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.
- ii. **Fair value through other comprehensive income (FVOCI):** The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets.

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments:

Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

- iii. **Fair value through profit or loss (FVTPL):** Financial assets which are neither held at amortised cost nor held at fair value through other comprehensive income are held at fair value through profit or loss. Financial assets and liabilities held at fair value through profit or loss are either mandatorily classified fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

Financial liabilities are classified as either amortised cost or held at fair value through profit or loss. Management determines the classification of its financial assets and liabilities at initial recognition of the instrument or, where applicable, at the time of reclassification.

### 2.4 *Assets held for sale*

The company classifies financial assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

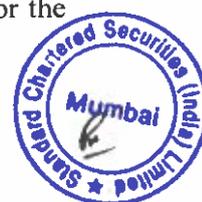
The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale/ distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale and the sale expected within one year from the date of classification. For these purposes, sale transactions include exchanges of financial assets for other financial assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal group is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The group treats sale of the asset or disposal group to be highly probable when:

- A. The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- B. An active program to locate a buyer and complete the plan has been initiated (if applicable),
- C. The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- D. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- E. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Property, plant and equipment and intangible are not depreciated, or amortised assets once classified as held for sale. Assets and liabilities classified as held for sale are presented separately from other items in the balance sheet.

### 2.5 *Property, Plant and Equipment ("PPE"), Intangible Assets and Depreciation / Amortisation*

- (i) PPE is stated at cost less accumulated depreciation and impairments, if any. The cost of PPE comprises purchase price and any attributable costs of bringing the asset to its working condition for its intended use. The Company does not own any property.
- (ii) Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date is classified as capital advances and the cost of assets not put to use before such date are classified as Capital Work-in-progress. Measurement of CWIP, Capital work in progress is stated at cost, net of accumulated impairment loss, if any.
- (iii) Depreciation is provided on a straight-line basis over the estimated useful life of the assets as per the management's internal assessment, subject to maximum useful life prescribed under the Companies Act 2013. The depreciation rates applied for the year ended March 31, 2024 are as follows:



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

Tangible Assets	Useful life of asset
Computer and data processing – end user devices	3 years
Computer and data processing - servers & networks	5 years
Office Equipment	5 years
Furniture and Fittings	10 years
Plant and Equipment	10 years
Motor Vehicle	3 years
Lease hold improvements	Lease period

- (iv) The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.
- (v) The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of PPE is measured as the difference between the net disposal proceeds and carrying amount of the item and is recognized in the statement of Profit and Loss when the item is derecognized. The date of disposal of an item of PPE is the date when the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.
- (vi) An intangible asset is recognized only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. These costs are amortised over the expected useful lives, but not exceeding the useful life as stated below.

Intangible assets	Useful life of asset
Software	3 years
Stock exchange trading rights BSE Limited, (BSE)	20 years

- (vii) The useful life of the stock exchange trading rights of BSE has been estimated as 20 years considering that BSE is one of the most active exchanges in the country and also since the Company derives a substantial amount of income through brokerage earned on trades through BSE.
- (viii) On disposal of fixed assets, the profit or loss is calculated as the difference between net sale proceeds and the net carrying amount as on the date of sale.
- (ix) The Company assesses at each balance sheet date, or as and when a significant event occurs, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying value, the carrying value is reduced to the recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss for the year. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

- (x) The residual values, useful lives and methods of amortization are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

### 2.6 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Ind AS 115 – “Revenue from contracts with customers” outlines a single comprehensive model of accounting from revenue arising from contracts with customers.

The company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115:

#### Step 1: Identify contracts with a customer:

A contract is identified as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

#### Step 2: Identify performance obligations in the contract

A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

#### Step 3: Determine the transaction price

The transaction price is the amount of consideration which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

#### Step 4: Allocate the transaction price to the performance obligations in the contract

For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

#### Step 5: Recognise the revenue when (or as) the Company satisfies a performance obligation

Revenue from contracts with customers is recognized at a point in time when performance obligation is satisfied.

- (i) Brokerage income on secondary market transactions including derivative segment is recognised on trade date basis.
- (ii) Brokerage / commission income on distribution of financial products is recognised on receipt of acknowledgement from issuer / registrars, net of sub brokerage / commission paid.
- (iii) Fees from portfolio management services are recognised on accrual basis in accordance with portfolio management services agreement entered with respective clients.
- (iv) Proposition fees collected for retail broking services is accounted on the basis of utilisation of services for trades done.
- (v) Dividend is recognised as income as and when the right to receive the same is established, it is probable that the economic benefits associated with dividend will flow to the Company and the amount of dividend can be measured reliably.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

- (vi) Interest income is recognized using the effective interest rate method (EIR). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments / receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.
- (vii) Delayed payment charges (DPC) are recognised as income on an accrual basis only in respect of debtors, which are considered good and recoverable.
- (viii) Other income is accrued as per contractual agreements.

### 2.7 Foreign currency transactions

Foreign currency transactions are initially recorded in the functional currency at the spot rates of exchange prevailing on the date of the transactions. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are retranslated into the functional currency at the spot rate of exchange at the reporting date. The exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

### 2.8 Impairment of Trade Receivables

The Company applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on average of historical loss rate adjusted to reflect current and available forward-looking information affecting the ability of the customers to settle the receivables. The Company has also computed expected credit loss due to significant delay in collection.

### 2.9 Leasing

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The rental charges paid for lease agreements that don't qualify as a lease under Ind AS 116 – “Leases” i.e., low value or short term leases are recognised as Rent expenses in the statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

### 2.10. Retirement Benefits

#### Provident fund

The Company contributes to a recognised provident fund, which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

#### Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value, and the fair value of plan assets, if any, is deducted.

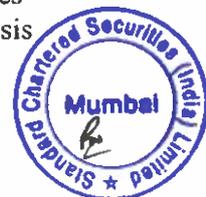
The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement, and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

Actuarial gains and losses are recognised in Other Comprehensive income under the statement of profit and loss.

#### Leave Encashment

The Company has discontinued the benefits to its employees under the leave encashment pay plan from April 1, 2009. However, provision for benefits under the old employees' retirement leave encashment plan to eligible employees is made on actuarial valuation basis as per the provisions of Ind AS 19 – Employee Benefits.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

### 2.11. Termination Benefits

Termination benefits are recognised as an expense when, as a result of past events, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### 2.12. Provisions and Contingencies

The Company recognises a provision when there is a present obligation as a result of past events that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions and subsequent write off of doubtful receivables are made as per management's periodic assessment of the degree of impairment across its products.

### 2.13 Income Taxes

Income tax expense comprises current tax (i.e. amount of tax for the period, determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, provision is made when the said liabilities are accepted by the Company.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets (DTA) are recognised only to the extent it is probable that assets can be realised in future. DTA on unabsorbed depreciation and carried forward loss under taxation laws are recognised only to the extent it is probable that sufficient future taxable income will be available against which such DTA can be realised. DTA are reviewed at each balance sheet date and written down or written up to reflect the amount that can be probably realised.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

### 2.14 Earning Per Share (EPS)

The basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting year. Number of equity shares used in computing diluted EPS comprises of the weighted average number of shares considered for deriving basic EPS and also weighted average number of equity shares, which would have been issued on the conversion of all dilutive potential shares. In computing diluted EPS only potential equity shares that are dilutive are included.

### 2.15 Cash and cash equivalents

Cash and cash equivalents includes cash at banks in current accounts and demand deposits with banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.16 Impairments of Non-Financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

### 2.17 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### 2.18 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate method (EIR). Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 2.19 Fair value measurements

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date. Fair value is the price that would be received against sale of 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 in the accessible principal market or the most advantageous accessible market as applicable.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024(Continued)

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels within a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). These are based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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.

### 2.20 Standards issued and effective

Ministry of Corporate Affairs (“MCA”) has notified the Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective from 01 April, 2023. However, these amendments does not have an impact on Financial Statements and material accounting policy information.

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Company’s financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April 2023. The Company has evaluated the amendment and there is no impact on its financial statement.

### 2.21 Standards notified but not yet effective

There are no standards that are notified and not yet effective as on the date.



**Standard Chartered Securities (India) Limited****Notes to the financial statements for the year ended 31st March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

**3 Cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Balances with banks		
- in current accounts	43,570	119,491
- Fixed deposits with original maturity of less than three months	274,500	3,000
- Interest accrued on fixed deposits	188	3
<b>Total</b>	<b>318,258</b>	<b>122,494</b>

**4 Bank balance other than cash and cash equivalents**

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed deposits with banks (with remaining maturity of less than three months)*	636,900	117,500
Fixed deposits with banks (with remaining maturity of more than 3 months)*	475,013	1,039,088
Fixed deposits held as margin money with original maturity of less than three months*	604,500	158,000
Fixed deposits held as margin money (with remaining maturity of less than 3 months)*	190,000	222,000
Fixed deposits held as margin money (with remaining maturity of more than 3 months)*	896,675	878,175
Interest accrued on fixed deposits	147,988	110,831
<b>Total</b>	<b>2,951,076</b>	<b>2,525,594</b>

\* Fixed deposits under lien with stock exchange amounted to Rs.1,264,675 ( March 31, 2023 : Rs.1,089,175 ), kept as collateral security towards bank guarantees issued amounted to Rs.426,500 ( March 31, 2023 : Rs.169,000), kept as collateral security against bank overdraft facility amounted to Rs.1,092,413 ( March 31, 2023 Rs.1,156,588) and unencumbered Rs. 19,500 ( March 31, 2023 : NIL )



**Standard Chartered Securities (India) Limited****Notes to the financial statements for the year ended 31st March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

**5 Trade receivables**

Particulars	As at	As at
	31 March 2024	31 March 2023
Receivables considered good - unsecured	732,759	661,455
Receivables considered doubtful	120	137
Less: Impairment loss allowance	(120)	(137)
<b>Total</b>	<b>732,759</b>	<b>661,455</b>

No trade receivables are due from directors or other officers 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.

**Ageing schedule as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	587,130	-	-	-	-	587,130

There are unbilled dues of Rs.145,629 which are not disclosed in the above ageing as these are not due.

**Ageing schedule as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	655,443	82	-	-	-	655,525

There are unbilled dues of Rs.5,930 which are not disclosed in the above ageing as these are not due.



**Standard Chartered Securities (India) Limited****Notes to the financial statements for the year ended 31st March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

**6 Loans**

<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
<b>(A) measured at amortized cost</b>		
Margin trade funding (MTF)	3,233,695	2,369,594
Less: Impairment loss allowance		
<b>Total ( A ) Net</b>	<b>3,233,695</b>	<b>2,369,594</b>
<b>(B) Secured / Unsecured</b>		
Loans secured by securities / shares	3,233,695	2,369,594
Unsecured	-	-
Less: Impairment loss allowance	-	-
<b>Total ( B ) Net</b>	<b>3,233,695</b>	<b>2,369,594</b>
<b>(C) Loans in India</b>		
Others	3,233,695	2,369,594
<b>Total ( C ) Net</b>	<b>3,233,695</b>	<b>2,369,594</b>
<b>Stage wise break up of loans</b>		
(i) Low credit risk ( Stage 1 )	3,233,695	2,369,594
(ii) Significant increase in credit risk (Stage 2)	-	-
(iii) Credit impaired (Stage 3)	-	-
<b>Total</b>	<b>3,233,695</b>	<b>2,369,594</b>

Loan balances are presented net of cash collateral. The loans are repayable on demand on occurrence of events specified in the underlying loan contract.



**Standard Chartered Securities (India) Limited****Notes to the financial statements for the year ended 31st March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

**7 Investments**

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>Investments in equity instruments at fair value through profit and loss (Unquoted)</b>		
Ahmedabad Stock Exchange Limited - 21,000 (Previous year: 21,000) Equity shares of face value of Rs 1/- each	10	10
<b>Investments in equity instruments designated at fair value through other comprehensive income (Quoted)</b>		
BSE Limited - 106,041 (Previous year: 106,041) Equity shares of face value of Rs 2/- each	-	45,698
	10	45,708
Less: Impairment loss allowance	-	-
<b>Total investments</b>	<b>10</b>	<b>45,708</b>
Investments in India	10	45,708
Investments outside India	-	-

**8 Other financial assets (Unsecured, considered good)**

Particulars	As at	As at
	31 March 2024	31 March 2023
<b>At amortized cost</b>		
Deposits with stock exchanges	140,650	25,413
Other deposits (premises and utilities)	4,794	4,794
Recoverable from related parties	2,640	7,462
Other recoverable	2,948	3,310
Less: Impairment loss allowance	-	-
<b>Total</b>	<b>151,032</b>	<b>40,979</b>



**Standard Chartered Securities (India) Limited****Notes to the financial statements for the year ended 31st March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

**9 Financial assets held for sale**

Particulars	As at 31 March 2024	As at 31 March 2023
BSE Limited - 106,041 (Previous year: 106,041) Equity shares of face value of Rs 2/- each *	266,789	-
<b>Total</b>	<b>266,789</b>	<b>-</b>

\*Pursuant to a management plan, the Company has classified its investments in shares of BSE Limited as held for sale as at March 31, 2024. The shares of BSE Limited are traded in active market and their sale is expected to be completed within one year from the date of classification. Such investments being designated at fair value through other comprehensive income, have already been reflected at their fair value as at March 31, 2024. Accordingly, there is no further impact on profit and loss due to such classification. The gains / losses on such investment in comparison to its fair value shall be realised as and when the sale is completed.

**11 Current tax assets (net)**

Particulars	As at 31 March 2024	As at 31 March 2023
Advance income tax (net)	144,941	145,294
(net of provision of tax of INR 143,418 (previous year: INR 120,006))		
<b>Total</b>	<b>144,941</b>	<b>145,294</b>

**12 Deferred tax assets / (liability) (net)**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Deferred tax assets (A)</b>		
Deferred tax assets	13,956	13,110
MAT credit entitlement	13,135	48,289
<b>Total</b>	<b>27,091</b>	<b>61,399</b>
<b>Deferred tax liabilities (B)</b>		
Deferred tax Liabilities		-
Fair value of equity instruments designated through FVTOCI	27,364	3,549
<b>Total</b>	<b>27,364</b>	<b>3,549</b>
<b>Net deferred tax assets / (liability) (A-B)</b>	<b>(273)</b>	<b>57,850</b>



Standard Chartered Securities (India) Limited

Notes to the financial statements for the year ended 31st March 2024 (Continued)

(Currency: Indian Rupees in 000's)

10 Property, plant and equipment

(Currency : Indian rupees in '000's)

Description	Gross block at cost				Depreciation/Amortisation				Net block	
	As at 1 April 2023	For the year Additions	Deletions	As at 31 March 2024	As at 1 April 2023	For the year Additions	Deletions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
<b>Property, plant and equipment</b>										
<b>Owned assets</b>										
Computer and data processing – end user devices	26,237	2,209	-	28,446	22,302	1,888	-	24,190	4,256	3,935
Computer and data processing – servers & networks	154,706	11,489	-	166,195	96,520	19,519	-	116,039	50,156	58,186
Furniture and fittings	2,875	-	-	2,875	2,745	57	-	2,802	73	130
Office equipments	19,290	53	2,262	17,081	16,964	1,655	2,262	16,357	724	2,326
Plant and equipments	1,506	-	-	1,506	846	124	-	970	536	660
Motor Vehicle	-	3,132	-	3,132	-	449	-	449	2,683	-
<b>Leased assets</b>										
Premises (Right of use)	29,319	12,363	12,962	28,720	15,893	6,540	12,962	9,471	19,249	13,426
<b>Total (A)</b>	<b>233,933</b>	<b>29,246</b>	<b>15,224</b>	<b>247,955</b>	<b>155,270</b>	<b>30,232</b>	<b>15,224</b>	<b>170,278</b>	<b>77,677</b>	<b>78,663</b>
<b>Intangible assets</b>										
Computer software	156,625	68,736	16,260	209,101	133,375	21,612	16,260	138,727	70,374	23,250
Stock exchange trading rights	13,250	-	-	13,250	13,250	-	-	13,250	-	-
<b>Total (B)</b>	<b>169,875</b>	<b>68,736</b>	<b>16,260</b>	<b>222,351</b>	<b>146,625</b>	<b>21,612</b>	<b>16,260</b>	<b>151,977</b>	<b>70,374</b>	<b>23,250</b>
<b>Total (A) + (B)</b>	<b>403,808</b>	<b>97,982</b>	<b>31,484</b>	<b>470,306</b>	<b>301,895</b>	<b>51,844</b>	<b>31,484</b>	<b>322,255</b>	<b>148,051</b>	<b>101,913</b>
<b>Capital work in progress</b>										11,225
<b>Intangible assets under development</b>									6,404	56,702

Description	Gross block at cost				Depreciation/Amortisation				Net block	
	As at 1 April 2022	For the year Additions	Deletions	As at 31 Mar 2023	As at 1 April 2022	For the year Additions	Deletions	As at 31 Mar 2023	As at 31 Mar 2023	As at 31 March 2022
<b>Property, plant and equipment</b>										
<b>Owned assets</b>										
Computer and data processing – end user devices	24,761	1,476	-	26,237	19,220	3,082	-	22,302	3,935	5,541
Computer and data processing – servers & networks	154,706	-	-	154,706	77,481	19,039	-	96,520	58,186	77,225
Furniture and fittings	3,800	-	925	2,875	3,597	72	924	2,745	130	203
Office equipments	19,676	-	386	19,290	15,097	2,234	367	16,964	2,326	4,579
Plant and equipments	2,076	-	570	1,506	1,287	129	570	846	660	789
<b>Leased assets</b>										
Premises (Right of use)	26,407	9,995	7,083	29,319	16,735	6,241	7,083	15,893	13,426	9,672
<b>Total (A)</b>	<b>231,427</b>	<b>11,471</b>	<b>8,964</b>	<b>233,933</b>	<b>133,417</b>	<b>30,797</b>	<b>8,944</b>	<b>155,270</b>	<b>78,663</b>	<b>98,009</b>
<b>Intangible assets</b>										
Computer software	149,791	6,834	-	156,625	118,051	15,324	-	133,375	23,250	31,740
Stock exchange trading rights	13,250	-	-	13,250	13,250	-	-	13,250	-	-
<b>Total (B)</b>	<b>163,041</b>	<b>6,834</b>	<b>-</b>	<b>169,875</b>	<b>131,301</b>	<b>15,324</b>	<b>-</b>	<b>146,625</b>	<b>23,250</b>	<b>31,740</b>
<b>Total (A) + (B)</b>	<b>394,468</b>	<b>18,305</b>	<b>8,964</b>	<b>403,808</b>	<b>264,718</b>	<b>46,121</b>	<b>8,944</b>	<b>301,895</b>	<b>101,913</b>	<b>129,749</b>
<b>Capital work in progress</b>									11,225	745
<b>Intangible assets under development</b>									56,702	14,660



Notes to the financial statements for the year ended 31st March 2024 (Continued)

(Currency: Indian Rupees in 000's)

Capital work in progress as at March 31, 2024

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

Capital work in progress as at March 31, 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	10,480	-	745	-	11,225

Intangible under development as at March 31, 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	4,855	1,549	-	-	6,404

Intangible under development as at March 31, 2023

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	47,571	6,401	2,730	-	56,702

Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Other developments	1,549	-	-	-	1,549

Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Obsolescence Project	3,318	-	-	-	3,318
Digital onboarding	3,434	-	-	-	3,434
Other developments	2,380	-	-	-	2,380

Capital work in progress estimated completion schedule for overdue projects as at March 31, 2024

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Obsolescence Project	-	-	-	-	-
Other developments	-	-	-	-	-

Capital work in progress estimated completion schedule for overdue projects as at March 31, 2023

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Obsolescence Project	745	-	-	-	745



**13 Other non financial assets**

Particulars	As at 31 March 2024	As at 31 March 2023
Prepaid expenses	18,407	18,074
Deposit against appeal	1,259	944
Advances to suppliers and others	754	496
Indirect tax input credits	14,436	14,234
	<b>34,856</b>	<b>33,748</b>

**14 Payables**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Trade Payables</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors	1,032,489	1,126,812
<b>Other Payables</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	2,771	217
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	46,884	70,695
<b>Total</b>	<b>1,082,144</b>	<b>1,197,724</b>

**Ageing schedule as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Payables	19,475	151	2,749	900	580	23,855

There are unbilled dues of Rs.1,058,289 which are not disclosed in the above ageing as these are not due.

**Ageing schedule as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Payables	33,634	2,043	4,400	91	-	40,168

There are unbilled dues of Rs.1,157,556 which are not disclosed in the above ageing as these are not due.



**15 Debt Securities**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>At amortized cost</b>		
Debt Securities in India		
Commercial Paper (unsecured)	2,108,177	-
<b>Total</b>	<b>2,108,177</b>	<b>-</b>
Borrowings in India	2,108,177	-
Borrowings outside India	-	-
<b>Total</b>	<b>2,108,177</b>	<b>-</b>

The rate of interest on above borrowings was in the range of 7.60% to 9.25% (PY: NIL) and tenure was in the range of 75 to 365 days (PY: NIL)

**15A Borrowings ( other than debt securities )**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>At amortized cost</b>		
<b>Term Loan</b>		
From NBFC : Unsecured (from related party)	1,250,000	1,500,000
<b>Working capital facilities</b>		
From Banks : Secured by way of a lien on fixed deposit / Receivable	-	354,190
<b>Total</b>	<b>1,250,000</b>	<b>1,854,190</b>
Borrowings in India	1,250,000	1,854,190
Borrowings outside India	-	-
<b>Total</b>	<b>1,250,000</b>	<b>1,854,190</b>

The rate of interest on above borrowings from NBFC was in the range of 8.50% to 10.25% (PY: 6.75% to 8.50%) and from Banks was in the range of 7.60% to 9.95% (PY: 7.30 to 8.90%)

The borrowings from NBFC are repayable after a tenure of 12 months and interest is paid on monthly basis.

**16 Deposits**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>At amortized cost</b>		
Deposits from intermediaries - Unsecured		
Deposits Others	840	840
<b>Total</b>	<b>840</b>	<b>840</b>



## 17 Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liability (Refer Note 40)	21,090	14,474
Employee benefits payable	8,522	7,604
Other liabilities	906	632
<b>Total</b>	<b>30,518</b>	<b>22,710</b>

## 18 Current tax liabilities (net)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for tax (net) (net of advance taxes paid of INR 74,412 (previous year: INR 52,578))	7,224	7,120
<b>Total</b>	<b>7,224</b>	<b>7,120</b>

## 19 Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits		
- Gratuity (Refer Note 39)	12,065	11,082
- Compensated absences	12,151	10,014
- Others	12,351	10,646
Provision Others	76	76
Provision for legal claims	22,940	22,079
<b>Total</b>	<b>59,583</b>	<b>53,897</b>

## 20 Other non financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues	32,193	31,844
Income received in advance	39,208	41,128
<b>Total</b>	<b>71,401</b>	<b>72,972</b>



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31st March 2024 (Continued)

(Currency: Indian Rupees in 000's)

#### 21 Share Capital

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number of Shares	Rs.000's	Number of Shares	Rs.000's
<b>( A ) Authorized:</b>				
Equity Shares of Rs.10/- each	295,000,000	2,950,000	295,000,000	2,950,000
Preference Shares of Rs.100/- each	2,500,000	250,000	2,500,000	250,000
	<b>297,500,000</b>	<b>3,200,000</b>	<b>297,500,000</b>	<b>3,200,000</b>
<b>( B ) Issued, subscribed and fully paid up</b>				
Equity Shares of Rs.10/- each	281,855,702	2,818,557	281,855,702	2,818,557
<b>Total Equity Share Capital</b>	<b>281,855,702</b>	<b>2,818,557</b>	<b>281,855,702</b>	<b>2,818,557</b>

#### ( C ) Reconciliation of the shares outstanding at the beginning of the year and at the end of the quarter

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number of Shares	Rs.000's	Number of Shares	Rs.000's
<b>At the beginning of the year</b>	281,855,702	2,818,557	281,855,702	2,818,557
<b>At the end of the year</b>	<b>281,855,702</b>	<b>2,818,557</b>	<b>281,855,702</b>	<b>2,818,557</b>

#### ( D ) Terms / rights / restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. There are no restrictions on payment of dividend to equity shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31st March 2024 (Continued)

(Currency: Indian Rupees in 000's)

#### ( E ) Details of Shareholding more than 5% Shares in Company ( Face value of Rs.10 per share )

Name of Shareholder	As at 31 March, 2024		As at 31 March, 2023	
	No of Shares	% Held	No of Shares	% Held
Standard Chartered Bank (Mauritius) Limited and its nominees*	281,855,702	100	281,855,702	100

\* Standard Chartered Bank (Mauritius) Limited represent the promoters of the Company.

#### ( F ) Shares reserved for issue under employee stock option plans

No shares were reserved for issue under employee stock options plans as at March 31, 2024 and March 31, 2023

#### ( G ) During the preceding five years the Company has not:

- allotted fully paid up shares without payment being received in cash
- issued fully paid up bonus shares
- bought back shares

#### ( H ) Capital management :

The Company's objective for capital management is to maximize 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.

In addition to above the Company is required to maintain a minimum network as prescribed from time to time by the Securities and Exchange Board of India (Stock brokers and sub-brokers) Regulations 1992 and SEBI (Portfolio Managers) Regulation, 2020, as amended. The management ensures that this is complied at all times.



**22 Other equity**

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Reserves and surplus</b>		
<b>Securities premium</b>		
Balance at the beginning of the year	2,060,447	2,060,447
Add : Addition during the year		
Balance at the end of the year	2,060,447	2,060,447
General reserve	125,611	125,611
<b>Retained earnings</b>		
Balance at the beginning of the year	(2,083,656)	(2,203,749)
Add : Profit / (loss) for the year	217,185	118,906
Add: Item of other comprehensive income recognised directly in retained earnings	147	1,187
Balance at the end of the year	(1,866,324)	(2,083,656)
<b>Other comprehensive income (fair value of equity investments)</b>		
Balance at the beginning of the year	42,144	92,153
Addition during the year	197,276	(50,009)
Balance at the end of the year	239,420	42,144
<b>Total</b>	<b>559,154</b>	<b>144,546</b>

**Nature and purpose of reserve****a) Securities premium**

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

**b) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

**c) Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**d) Other comprehensive income**

Other comprehensive income consist of remeasurement gains/losses on fair valuation of instruments designated at fair value through other comprehensive income.



Standard Chartered Securities (India) Limited

Notes to the financial statements for the year ended 31st March 2024 (Continued)

(Currency: Indian Rupees in 000's)

**23 Fees and commission income**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Brokerage charges	429,950	249,051
Fees from broking products	697	1,071
Commission on distribution of financial products	66,198	75,479
Portfolio management fees	45,839	42,898
<b>Total</b>	<b>542,684</b>	<b>368,499</b>

**24 Interest income**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>On financial assets measured at amortized cost</b>		
Interest on fixed deposits / cash placed towards base capital with exchanges	95,358	67,577
Interest on margin trading funding (MTF)	389,932	331,822
Delayed payment charges	4,994	5,266
<b>Total</b>	<b>490,284</b>	<b>404,665</b>

**25 Other income**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Dividend received	1,272	1,432
Profit on sale of fixed assets	21	40
Interest on deposits with banks	82,844	71,142
Other interest income	0	4
Others	41	310
<b>Total</b>	<b>84,178</b>	<b>72,928</b>

**26 Employee benefit expenses**

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Salaries and Wages	289,841	239,039
Contributions to provident and other funds	9,474	7,366
Gratuity	3,408	2,883
Staff Insurance	4,718	4,076
Staff welfare expenses	853	2,473
<b>Total</b>	<b>308,294</b>	<b>255,837</b>



Standard Chartered Securities (India) Limited

Notes to the financial statements for the year ended 31st March 2024 (Continued)

(Currency: Indian Rupees in 000's)

27 Other expenses:

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Repairs and maintenance	67,597	63,687
Rent	33,164	33,051
Outsourcing costs	20,504	19,285
Legal and professional fees	25,529	17,571
Telephone and connectivity	18,975	15,635
Travelling expenses	4,092	6,375
Membership and subscription	4,018	5,234
Donations and contributions	3,597	3,341
Auditor's fees and expenses (refer note below) #	4,211	2,684
Shared support costs	-1,002	2,121
Postage and courier	4,648	2,512
Printing and stationery	1,756	1,660
Provisions for claims	861	892
Electricity	736	644
Marketing, business promotion and advertising	673	382
Insurance	207	274
Provisions and write off - others	1,750	1,210
Others	7,179	1,121
<b>Total</b>	<b>198,495</b>	<b>177,679</b>

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
a) for audit fees	2,400	2,600
b) limited review	1,500	-
b) for other services including certificates	50	50
c) for reimbursement of expenses	261	34
<b>Total</b>	<b>4,211</b>	<b>2,684</b>

28 Depreciation and amortization

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
Depreciation of property, plant and equipment	30,232	30,797
Amortization of intangible assets	21,612	15,324
	<b>51,844</b>	<b>46,121</b>

29 Finance Costs

Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
<b>On Instruments measured at amortized cost</b>		
Bank charges	5,771	1,952
Interest on borrowings	51,073	66,851
Interest on borrowings from related parties	141,473	107,870
Interest (discount) on commercial paper	51,986	8,486
Interest others	239	21
Interest on lease liability	1,731	894
<b>Total</b>	<b>252,273</b>	<b>186,074</b>



## Standard Chartered Securities (India) Limited

### **Notes to the financial statements for the year ended 31 March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

#### **30. Earning per Share**

##### a) Basic and diluted Earnings per share

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

Particulars		As at 31 March 2024	As at 31 March 2023
A	Equity shares outstanding at the beginning of the year (A) Nos.	<b>28,18,55,702</b>	28,18,55,702
B	Add: Weighted average number of equity shares issued during the year (B) Nos.	-	-
C	Weighted average number of equity shares for basic and diluted earnings per share (C) = (A+B) Nos.	<b>28,18,55,702</b>	28,18,55,702
D	Net profit after tax available for equity shareholders (D) Rs.	<b>217,185</b>	118,906
E	Basic and diluted earnings per share (Nominal value of Rs.10 each) (D/C) Rs.	<b>0.77</b>	0.42

#### **31. Segment Information**

##### **Primary Segment**

The Chief Operating Decision Maker (CODM) monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segment has been identified considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure. The Company operates only in one business segment namely "Broking, Advisory and Financial intermediation Services" comprising of Broking, portfolio management services and Distribution of third-party products.

No customer individually accounted for more than 10% of the revenues in the year ended 31 March 2024 and 31 March 2023.

#### **32. Related Parties Disclosures**

##### (i) Names of related parties and nature of relationship

Name of the related party	Nature of relationship
Standard Chartered PLC	Ultimate parent Company
Standard Chartered Bank (Mauritius) Ltd.	Parent
Standard Chartered Bank, India Branches	Branch of Holding Company of the Parent
Standard Chartered Capital Ltd. (Formerly Standard Chartered Investments and Loans (India) Limited)	Fellow Subsidiary
Standard Chartered Bank, Singapore	Branch of Holding Company of the Parent
Standard Chartered Global Business Services Pvt. Ltd.	Fellow Subsidiary



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

### (ii) Key Management Personnel

Name of the Related Party	Nature of Relationship
Rajeev Srivastava	Managing Director and Chief Executive Officer

### (iii) Details of transactions and amounts due to / from related parties

Transactions with Standard Chartered Bank - India branches (SCBI)	Year Ended 31 March 2024	Year Ended 31 March 2023
Secondment charges	6,550	6,084
Rent paid	30,750	30,750
Support Cost Allocation	1,859	4,516
Bank charges	25	16
Interest expense on overdraft	14	4
Referral fees – expense	235	376
Interest income on fixed deposit	8,874	4,832
Brokerage Income	58	142
Recharge (customer care services)	2,860	2,395
Other recharges	-	500
Sale of Assets	-	30
Purchase of foreign currency – USD	50	1,593
Purchase of foreign currency – GBP	1,102	-
Sale of foreign currency – USD	2,495	-
Fixed deposits placed	240,000	170,000
Fixed deposits matured	240,000	152,500

Balances with Standard Chartered Bank - India branches (SCBI)	As at 31 March 2024	As at 31 March 2023
Fixed deposit	120,000	120,000
Expenses payable	9,564	14,398
Closing bank balances	42,589	117,308
Interest income accrued (but not due) on fixed deposits	3,786	1,279
Receivable towards expenses	438	2,622

Balances with Standard Chartered Bank (Mauritius) Ltd.	As at 31 March 2024	As at 31 March 2023
Share capital	2,818,557	2,818,557



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

Transactions with Standard Chartered Capital Ltd (formerly Standard Chartered Investments and Loans (India) Ltd.)	Year Ended 31 March 2024	Year Ended 31 March 2023
Rent Income	664	643
Brokerage income	176	1,607
Interest on term loan	141,459	107,865
Borrowings availed	-	1,700,000
Repayments	250,000	1,300,000

Balances with Standard Chartered Capital Ltd. (formerly Standard Chartered Investments and Loans (India) Ltd.)	As at 31 March 2024	As at 31 March 2023
Rent Receivable	2,170	1,387
Rent payable	76	76
Reimbursement of Expense	32	32
Working Capital Term Loan	1,250,000	1,500,000

Transactions with Standard Chartered Bank – Singapore	Year Ended 31 March 2024	Year Ended 31 March 2023
Market Data Services recharge	804	998

Balances with Standard Chartered Bank –Singapore	As at 31 March 2024	As at 31 March 2023
Net Payable towards expenses	804	2,277
Receivable towards reimbursements	-	3,456

Transactions with Standard Chartered PLC	Year Ended 31 March 2024	Year Ended 31 March 2023
Expenses towards restricted sharesave scheme / supplementary restricted sharesave scheme and sharesave scheme	114	73

Balances with Standard Chartered PLC	As at 31 March 2024	As at 31 March 2023
Payable under the restricted sharesave scheme and sharesave scheme	166	52

Transactions with Standard Chartered Global Business Services Pvt. Ltd.	Year Ended 31 March 2024	Year Ended 31 March 2023
Processing Charges	7,818	7,421



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

Balances with Standard Chartered Global Business Services Pvt. Ltd.	As at 31 March 2024	As at 31 March 2023
Payable towards expenses	506	634

#### (iv) Particulars of Key Management Personnel

Transactions with Rajeev Srivastava	Year Ended 31 March 2024	Year Ended 31 March 2023
Managing Director remuneration	15,018	14,251

As the liabilities for gratuity are provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

### 33. Staff Cost and Support Service Charge

Costs (including retirement benefit relating to staff seconded from SCBI) are recovered by SCBI from the Company on a monthly basis. These costs are disclosed in Note 26 and as secondment costs under related party disclosures. The Company also avails from SCBI certain support services (Human Resources, Legal and Property Services) for which SCBI charges the Company based on an identifiable criteria. These costs are included in Note 27 under the head "Shared Support Cost" and as support cost allocation under related party disclosures. The Company also provides services to SCBI towards client care services for its Depository clients for which the Company charges SCBI based on an identifiable criteria. These costs are included in Note 27 under the head "Shared Support Cost" and as Recharge (Customer care services) under related party disclosures.

### 34. Outsourcing cost

Standard Chartered Global Business Services Pvt. Ltd. ('SCGBS') provides a wide range of services like finance and accounting services, IT service, HR services, etc. to the Group globally. SCGBS issues monthly invoices whereby the cost is based on the agreed cost per full time employee and cost per transaction in case of accounting operations. Such expenditure is disclosed as Outsourcing Costs under Note 27.

### 35. Foreign Currency Transactions

Particulars	For the year ending	
	31 March 2024	31 March 2023
<b>Expenditure in foreign currency (accrual basis)</b>		
Membership & Subscription	804	998
Professional Fees	-	923
Restricted share scheme and supplementary restricted share scheme grant	114	73
Software Maintenance	51	21
<b>Total</b>	<b>969</b>	<b>2,015</b>



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

#### 36. Statement of Corporate Social Responsibility Expenditure

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.

Details of amount spent:

Sr. No	Particulars	For the year ending	
		31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
A	Gross amount required to be spent by the Company during the year	3,597	3,341
B	Amount of expenditure incurred	3,597	3,341
C	(Excess) / Shortfall at the end of the year	-	-
D	Total of previous years shortfall / (Excess)	-	-
E	Reason for shortfall	NA	NA
F	Nature of CSR activities	To support the education of underprivileged girls enrolled in Government schools across India.	To support the education of underprivileged girls enrolled in Government schools across India.
G	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
H	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shows separately	NA	NA

#### 37. Contingent Liabilities

Sr. No.	Particulars	As at	
		31 March 2024	31 March 2023
1	Claims against the Company not acknowledged as debt (Refer Note 3)	41,961	40,121
2	Income tax demand disputed in appeal	3,080	3,080
3	Service Tax demands	12,590	24,877
4	Bank Guarantee	850,000	338,000
	<b>Total</b>	<b>907,631</b>	<b>406,078</b>

Note:

1. Tax liabilities (including interest and penalty) of the Company for the assessment years 2004-05, 2006-07 and 2008-09 and service tax demand for the period October 2013 to September 2014 is pending final outcome of the rectification and appeals filed by the Company. The Company believes that these demands are unsustainable and accordingly, no provisions have been made.
2. The Company has a process whereby periodically all long term contracts, if any are assessed for material foreseeable losses. As at 31 March 2024 and as at 31 March 2023, there are no long term contracts entered by the Company.
3. The Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. It does not reasonably expect that these legal actions, when ultimately concluded



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

### 38. Capital Commitments

Sr. No.	Particulars	As at	
		31 March 2024	31 March 2023
1	Estimated amounts of contracts remaining to be executed on Capital Account and not provided for (net of advances)	1,663	22,512

### 39. Employee Benefits

#### Gratuity

The Company's Gratuity scheme is a defined benefit plan and is managed through a policy obtained from Life Insurance Corporation of India.

The following table summarizes the components of net expenses for gratuity benefits recognized in the statement of profit and loss, other comprehensive income and amount recognized in the balance sheet.

#### a) Movement in defined benefit obligation

Particulars	As at 31 March	
	2024	2023
<b>Present value of obligation as at the beginning</b>	21,612	20,094
Current service cost	2,773	2,344
Interest expense or cost	1,511	1,208
Remeasurements due to :		
- Actuarial loss /(gain) arising from change in financial assumptions	119	(587)
- Actuarial loss /(gain) arising from change in demographic assumptions	17	(731)
- Actuarial loss /(gain) arising on account of experience changes	(178)	1,167
Benefits paid	(1,352)	(1,328)
Acquisition adjustment*	7	(555)
<b>Present value of obligation as at the end</b>	<b>24,509</b>	<b>21,612</b>

\*On account of business combination or intergroup transfer

#### b) Movement in Plan assets

Particulars	As at 31 March	
	2024	2023
<b>Fair value of plan assets as at the beginning of the year</b>	10,530	10,146
Employer contributions	2,217	-
Interest on plan assets	876	743
Return on plan assets, excluding amount recognized in net interest expense	166	1,524
Benefits paid	(1,352)	(1,328)
Assets Acquired / (Settled)*	7	(555)
<b>Fair value of plan assets as at the end of the year</b>	<b>12,444</b>	<b>10,530</b>

\*On account of business combination or intergroup transfer



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

### c) Reconciliation of net liability/asset

Particulars	As at 31 March	
	2024	2023
Net defined benefit liability/(asset) as at the beginning of the year	11,082	9,948
Expenses charged to statement of profit and loss	3,408	2,809
Amount recognized in other comprehensive income	(208)	(1,675)
Employer contribution	(2,217)	-
Net defined benefit liability/(asset) as at the end of the year	12,065	11,082

### d) Expenses charged to the Statement of Profit & Loss

Particulars	As at 31 March	
	2024	2023
Current Service Cost	2,773	2,344
Net Interest Cost / (Income) on the net defined benefit liability/(Asset)	635	465
Expenses recognized in the income statement	3,408	2,809

### e) Re measurement (gains)/losses in other comprehensive income

Particulars	As at 31 March	
	2024	2023
Actuarial (gains)/losses		
Opening balance	3,536	5,211
Change in financial assumptions	119	(587)
Change in demographic assumptions	17	(731)
Experience adjustments	(178)	1,167
Return on plan assets, excluding amount recognized in net interest expense	(166)	(1,524)
Components of defined benefit costs recognized in other comprehensive income	3,328	3,536

### f) Amount recognized in Balance Sheet

Particulars	As at 31 March	
	2024	2023
Present value of obligation	24,509	21,612
Fair value of plan assets	12,444	10,530
Net funded obligation	12,065	11,082
Net (Asset) / Liability	12,065	11,082



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

#### g) Key actuarial assumptions

Particulars	As at 31 March	
	2024	2023
Discount Rate (p.a.)	7.20%	7.40%
Salary growth rate (p.a.)	10% until year 3 inclusive, then 8.50%	10% until year 5 inclusive, then 8.50%

#### h) Sensitivity analysis for significant assumptions is as shown below

Particulars	As at	
	31 March 2024	
	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 25 bps	24,126	24,831
impact of increase in 25 bps on DBO	-1.56%	1.31%
Defined benefit obligation on decrease in 25 bps	24,903	24,188
impact of decrease in 25 bps on DBO	1.61%	-1.31%

#### i) Projected plan cash flow:

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

Particulars	As at
	31 March 2024
<b>Maturity Profile</b>	
Expected benefit for 1 year	4,446
Expected benefit for 2 to 5 years	10,025
Expected benefit for 6 to 9 years	9,728
Expected benefit for more than 10 years	18,235

The weighted average duration to the payment of these cash flows is 6.34 years.

#### 40. Lease

The Company has entered into lease contracts for various properties across India for its office premises used in its operations. There are no variable lease payments, residual agreements, sale and leaseback arrangements and other restrictions. For short-leases, the Company has recorded rental expense of Rs. 33,164 (Previous year: Rs.33,051) in the Statement of profit and loss.

Set out below are the carrying amount of right-of-use assets recognized and movement during the year.



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

Particulars	Amount
<b>Balance as at 31 March, 2023</b>	<b>13,426</b>
Additions	12,363
Closure	-
Depreciation expense	(6,540)
<b>Balance as at 31 March, 2024</b>	<b>19,249</b>

Set out are the carrying amount of lease liabilities and movement during the year :

Particulars	For the year ending	
	31 March 2024	31 March 2023
As at 1 April	14,474	10,681
Additions	12,363	9,995
Accretion of interest	1,731	894
Closure	-	-
Payments	(7,478)	(7,096)
<b>Balance as at 31 March, 2024</b>	<b>21,090</b>	<b>14,474</b>

The maturity of lease liabilities is disclosed in Note 45.

The effective interest rate of lease liabilities is 8.03% with maturities between one to three years.

The details of the contractual maturities of lease liabilities as at March 31, 2024 on an undiscounted basis is as follows:

Particulars	As at
	31 March 2024
Up to one year	6,307
One to five years	14,783
More than five years	-
<b>Total</b>	<b>21,090</b>

The following are the amounts recognized in statement of profit or loss.

Particulars	For the year ending	
	31 March 2024	31 March 2023
Depreciation expense right of use of assets	6,540	6,241
Interest expense on lease liabilities	1,731	894
<b>Total Amount recognized in statement of profit and loss account</b>	<b>8,271</b>	<b>7,135</b>



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

#### 41. Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are

Particulars	As At	
	31 March 2024	31 March 2023
<b>Financial Asset</b>		
Fixed Deposits pledged against Overdraft facility	1,092,413	1,156,588
Fixed Deposits pledged against Bank Guarantee	426,500	169,000

Fixed Deposits are pledged with bank for overdraft facilities sanctioned and Bank Guarantees availed.

Further, the Company has hypothecated its receivables from broking clients to avail cash credit facility from bank. The outstanding cash credits against these receivables was Rs. Nil as at 31<sup>st</sup> March 2024 (previous year : Rs. 3,000).

Shares (i) received from clients as collateral for margins/ security deposits, (ii) of clients, withheld against their outstanding balances, are pledged in favor of the Company.

#### 42. Financial Risk Management

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

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

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

The risk management system features a 'three lines of defence' approach.

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
2. The second line of defence comprises specialized departments such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.
3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

### a) Credit risk

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

The Company's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits and unbilled revenues.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable and loans.

#### Trade receivable:

The Company applies the Ind AS 109 simplified approaches to measuring expected credit losses (ECLs) for trade receivables and 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.

For broking debtors, any outstanding amounts exceeding 30 days is considered for impairment provisioning. For other receivables, any outstanding amounts exceeding 120 days post the due date is considered for impairment provisioning.

Trade receivable of the Company are of short duration with credit period ranging up to maximum 120 days. In case of delay in collection, the Company has right to charge interest (commonly referred as delayed payment charges) on overdue amount of broking debtors for the overdue period.

There is no historical loss incurred in respect of Receivable from Exchange. Entire exposure/receivable as at each reporting period is received and settled within 1 day from reporting period. Therefore, no ECL is recognised in respect of receivable from Exchange.

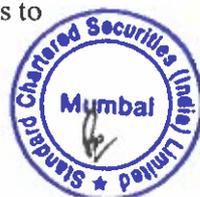
Particulars	As at	
	31 March 2024	31 March 2023
Trade and other receivables (net of impairment)	732,759	661,455
Loan (net of impairment)	3,233,695	23,69,594

**Loans:** Loans comprise of margin trading funding (MTF).

All loans in MTF loan book are considered as good and recoverable as long as there is sufficient coverage of the outstanding loan amount by way of collateral funds or stocks pledged in favour of the Company. Adequate haircuts on stock collateral are applied as per the Credit Risk Policy to ensure coverage of the outstanding loan amount post haircut. Management expects that there will be no credit loss on account of its exposure to loan book.

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Company has a large customer base with shared credit risk characteristics. Margin trading facilities are secured by collaterals. As per policy of the Company, margin trading facilities to



## Standard Chartered Securities (India) Limited

### **Notes to the financial statements for the year ended 31 March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

the extent covered by collateral and servicing interest on a regular basis is not considered as due/default. Accounts becoming due/default are fully written off as bad debt against respective receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss as bad debts recovered.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these margin trading facilities is the maximum contractual period (i.e. settlement day).

For the computation of ECL, the margin trading facilities are classified into three stages as follows:

Following table provides information about exposure to credit risk and ECL on Margin trading facility

<b>Staging as per Ind AS 109</b>	<b>Receivable including interest</b>
Stage 1	0 to 30 days past due
Stage 2	31 to 90 days past due
Stage 3	More than 90 days past due

The Company does not have any margin trading facilities which may fall under stage 2 or stage 3.

ECL is computed as follows assuming that these receivables are fully recalled by the Company at each reporting period.

EAD is considered as receivable including interest (net of write off).

PD is considered at 100% for all receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.

#### **Recognition of Expected Credit Losses for Margin Trading Facility (MTF) Book:**

The concept of expected credit losses (ECLs) as per IndAS 109 means that companies are required to look at how current and future economic conditions impact the amount of loss.

ECL is a popular concept in the banking industry and is mostly created for loan portfolio. Though Margin Trading Facility (MTF) comes under the ambit of lending, the contours vary as compared to a conventional lending product and hence there is no creation of ECL for MTF in the Broking industry. Akin to the practice, the Company is also not creating separate Expected Credit Loss line for Margin Trading Facility portfolio due to the following additional reasons: -

1. Continuous Replenishment – Clients are required to maintain margins at all points of time. In case of margin shortfall, clients are expected to replenish the same on an immediate basis
2. Liquid Collateral – Margins are collected from clients in the form of cash and shares. Shares meeting stringent risk norms are only permitted as part of margin and collateral basket.



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

3. Robust Risk Assessment – the Company has a robust risk management where client's positions are monitored on a real-time basis. Clients not meeting the margin requirement are forcefully unwound after giving margin call.
4. Nil Historical losses – the Company has never incurred a trading loss in the last 5 years.

Given the aforesaid rationale the Company has not created any ECL for the MTF book.

#### **Collaterals**

The Company holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Instrument type	Percentage of exposure that is subject to collateral		Principal type of collateral held
	31 March 2024	31 March 2023	
Margin Trading Facility	100 %	100 %	Shares and Cash

#### **Other financial assets considered to have a low credit risk:**

Credit risk on cash and cash equivalents is limited as we generally place/invest the amounts in Current Accounts or in Fixed deposits with reputed Scheduled banks. Investments mainly comprise of quoted equity instruments which are market tradeable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory norms.

#### **b) Liquidity risk**

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

With a view to maintaining liquidity with minimal risks the Company invests its surplus funds in fixed deposits with banks. The Company monitors its cash and bank balances regularly to meet its obligations and financial liabilities.

Refer note 45 for analysis of maturities of financial assets and financial liabilities.

#### **c) Market Risk**

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

#### (i) Equity Price Risk

The Company's exposure to equity price risk arises primarily on account of its margin-based positions of its clients in equity cash and derivative segments. The Company's equity price risk is managed in accordance with its Risk policy.

Management believes that there is no significant Equity Price risk that will have an impact on the Profit and loss account of the Company. The Company holds investments in certain equity instruments. The sensitivity of change in the market price of equity instruments is presented as follows:

Particulars	As At	
	31 March 2024	31 March 2023
Investment in equity instruments		
- Carrying value	266,799	45,708
- 5% price increase	13,340	2,285
- 5% price decrease	(13,340)	(2,285)

#### (ii) Interest rate risk

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. 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.

The Company's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

Financial Assets	As At	
	31 March 2024	31 March 2023
Fixed deposits with Banks		
- Carrying value	30,77,588	24,17,763
- 0.5% interest rate increase	15,388	12,089
- 0.5% interest rate decrease	(15,388)	(12,089)
Loans to customers (Margin trading funding)		
- Carrying value	32,33,695	23,69,594
- 0.5% interest rate increase	16,168	11,848
- 0.5% interest rate decrease	(16,168)	(11,848)
Financial Liabilities		
Working capital facilities		
- Carrying value	-	354,190
- 0.5% interest rate increase	-	1,771
- 0.5% interest rate decrease	-	(1,771)
Term loan		
- Carrying value	1,250,000	1,500,000
- 0.5% interest rate increase	6,250	7,500
- 0.5% interest rate decrease	(6,250)	(7,500)



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

#### (iii) Foreign currency risk

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

Foreign currency risk management:

In respect of foreign currency transactions, the Company does not hedge the exposures since the management believes that the same is insignificant and will not have a material impact on the Company.

The Company's exposure to foreign currency risk at the end of reporting period is as under:-

#### Receivables

Particulars	Currency	As At	
		31 March 2024	31 March 2023
Unhedged Foreign currency exposure	USD	-	42
	INR	-	3,456

#### Payables

Particulars	Currency	As At	
		31 March 2024	31 March 2023
Unhedged Foreign currency exposure	USD	12	1
	INR	1,020	70
	GBP	-	17
	INR	-	1,732
	SGD	-	37
	INR	-	2,277

The Company has considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing the impact on the financial statements.

Management believes that the Company's foreign currency risk relating to the financial assets and liabilities is not significant considering the quantum of these financial assets.

#### 43. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

On the basis of the information and records including confirmations sought from suppliers on registration with specified authority under MSMED the following disclosures are made under the Micro, Small and Medium Enterprises Development Act, ('MSMED') which came into force from October 2, 2006.

Particulars	As at	
	31 March 2024	31 March 2023
Principal amount remaining unpaid beyond the due date to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid and payments made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under this Act	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, till actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

The above is based on the information available with the Company, which has been relied upon by the auditors

### 44. Income Tax

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

Particulars	As at	
	31 March 2024	31 March 2023
Current Income tax	53,495	31,428
Deferred tax (including Mat credit)	36,213	29,915
Adjustment relating to earlier period	(636)	-
<b>Tax expense for the year</b>	<b>89,072</b>	<b>61,343</b>
<b>Income tax recognised in other comprehensive income</b>		
Income tax relating to items that will not be classified to profit or loss	(23,876)	3,908
<b>Total income tax recognized in other comprehensive income</b>	<b>(23,876)</b>	<b>3,908</b>

B) Reconciliation of tax expenses and the accounting profit for the year is as under: -

Particulars	For the year ended	
	31 March 2024	31 March 2023
Profit before tax	306,257	180,249
Indian statutory income tax rate (%)	29.12%	29.12%
Expected income tax expenses	89,182	52,488
<b>Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses</b>		
Expenses not deductible	526	487
Others items	(636)	(301)
Tax relating to set off of earlier year's losses	-	8,669
<b>Total income tax expenses</b>	<b>89,072</b>	<b>61,343</b>

C) Deferred tax disclosure - Movement of deferred tax assets and liabilities

Particulars	As at 1 April 2023	Credit/(Charge) in the statement of profit and loss	Credit/(Charge) in other comprehensive income	As at 31 March 2024
Provision for Gratuity	3,227	347	(61)	3,513
Depreciation	193	(538)	-	(345)
Provision for doubtful debts	40	(5)	-	35
Provision for claims	6,429	251	-	6,680
Provision for leave encashment/holiday pay	2,916	622	-	3,538
Leases as per Ind AS	305	231	-	536
Gain – changes in fair value of equity instruments	(3,549)	-	(23,815)	(27,364)
Unabsorbed losses	-	-	-	-
Mat credit entitlement - Earlier years	-	1,964	-	1,964
Mat credit entitlement	48,289	(37,119)	-	11,170
<b>Net deferred tax assets/(liabilities)</b>	<b>57,850</b>	<b>(34,247)</b>	<b>(23,876)</b>	<b>(273)</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

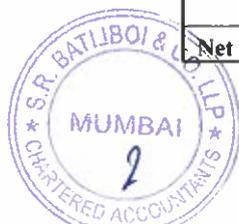
(Currency: Indian Rupees in 000's)

Particulars	As at	Credit/(Charge) in the statement of profit and loss	Credit/(Charge) in other comprehensive income	As at
	1 April 2022			31 March 2023
Provision for Gratuity	2,896	819	(488)	3,227
Depreciation	1,168	(975)	-	193
Provision for doubtful debts	67	(27)	-	40
Provision for claims	6,169	260	-	6,429
Provision for leave encashment/holiday pay	2,689	227	-	2,916
Leases as per Ind AS	(21)	326	-	305
Gain – changes in fair value of equity instruments	(7,945)	-	4,396	(3,549)
Unabsorbed losses	41,742	(41,742)	-	-
Mat credit entitlement	37,093	11,196	-	48,289
<b>Net deferred tax assets/(liabilities)</b>	<b>83,859</b>	<b>(29,917)</b>	<b>3,908</b>	<b>57,850</b>

### 45. Maturity Analysis

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2024		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	318,258	318,258	-
Bank balance other than above	2,951,076	2,814,824	136,252
Trade receivables	732,759	732,759	-
Loans	3,233,695	3,233,695	-
Investments	10	-	10
Other financial assets	151,032	120,822	30,210
Financial assets held for sale	266,789	266,789	-
<b>Non-Financial assets</b>			
Property, plant and equipment	77,677	-	77,677
Capital work-in-progress	-	-	-
Intangible assets	70,374	-	70,374
Intangible assets under development	6,404	-	6,404
Current tax assets	144,941	144,941	-
Deferred tax assets	-	-	-
Other non- financial assets	34,856	33,075	1,781
	<b>7,987,871</b>	<b>7,665,163</b>	<b>322,708</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and other payables	1,082,144	1,082,144	-
Borrowings (other than debt security)	1,250,000	-	1,250,000
Debt Securities	2,108,177	2,108,177	-
Deposits	840	-	840
Other financial liabilities	30,518	15,702	14,816
<b>Non-Financial Liabilities</b>			
Current tax liabilities	7,224	7,224	-
Provisions	59,583	23,614	35,969
Other non-financial liabilities	71,401	71,401	-
Deferred tax liabilities	273	(13,135)	13,408
	<b>4,610,160</b>	<b>3,295,127</b>	<b>1,315,033</b>
<b>Net Assets</b>	<b>3,377,711</b>	<b>4,370,036</b>	<b>(992,325)</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

Particulars	As at March 31, 2023		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	122,494	122,494	-
Bank balance other than above	2,525,594	1,393,945	1,131,649
Trade receivables	661,455	661,455	-
Loans	23,69,594	23,69,594	-
Investments	45,708	-	45,708
Other financial assets	40,979	10,671	30,308
<b>Non-Financial assets</b>			
Property, plant and equipment	78,663	-	78,663
Capital work-in-progress	11,225	-	11,225
Intangible assets	23,250	-	23,250
Intangible assets under development	56,702	-	56,702
Current tax assets	145,294	145,294	-
Deferred tax assets	57,850	-	57,850
Other non- financial assets	33,748	32,149	1,599
	<b>6,172,556</b>	<b>4,735,602</b>	<b>1,436,954</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and other payables	1,197,724	1,197,724	-
Borrowings (other than debt security)	1,854,190	354,190	1,500,000
Deposits	840	840	-
Other financial liabilities	22,710	11,026	11,684
<b>Non-financial Liabilities</b>			
Current tax liabilities	7,120	7,120	-
Provisions	53,897	12,562	41,335
Other non-financial liabilities	72,972	72,972	-
	<b>3,209,453</b>	<b>1,656,434</b>	<b>1,553,019</b>
<b>Net Assets</b>	<b>2,963,103</b>	<b>3,079,168</b>	<b>(116,065)</b>

### 46. Fair valuation of financial instruments

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

The carrying value and financial instruments by categories as of March 31, 2024 is as follows:

Particulars	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	318,258	-	-	318,258
Bank balance other than above	2,951,076	-	-	2,951,076
Trade receivables	732,759	-	-	732,759
Loans	3,233,695	-	-	3,233,695
Investments	-	10	-	10
Other financial assets	151,032	-	-	151,032
Financial assets held for sale	-	-	266,789	266,789
<b>Total</b>	<b>7,386,820</b>	<b>10</b>	<b>266,789</b>	<b>7,653,619</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,082,144	-	-	1,082,144
Borrowings (other than Debt security)	1,250,000	-	-	1,250,000
Debt Securities	2,108,177	-	-	2,108,177
Deposits	840	-	-	840
Other financial liabilities	30,518	-	-	30,518
<b>Total</b>	<b>4,471,679</b>	<b>-</b>	<b>-</b>	<b>4,471,679</b>

The carrying value and financial instruments by categories as of March 31, 2023 is as follows:

Particulars	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	122,494	-	-	122,494
Bank balance other than above	2,525,594	-	-	2,525,594
Trade receivables	661,455	-	-	661,455
Loans	23,69,594	-	-	23,69,594
Investments	-	10	45,698	45,708
Other financial assets	40,979	-	-	40,979
<b>Total</b>	<b>5,720,116</b>	<b>10</b>	<b>45,698</b>	<b>5,765,824</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,197,724	-	-	1,197,724
Borrowings (other than Debt security)	1,854,190	-	-	1,854,190
Deposits	840	-	-	840
Other financial liabilities	22,710	-	-	22,710
<b>Total</b>	<b>30,75,464</b>	<b>-</b>	<b>-</b>	<b>30,75,464</b>

#### Fair value hierarchy:

Fair value is the price that would be received while selling 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 estimates using a valuation technique.



## Standard Chartered Securities (India) Limited

### Notes to the financial statements for the year ended 31 March 2024 (Continued)

(Currency: Indian Rupees in 000's)

The fair value of quoted equity instruments which are designated at fair value as described above has been derived using available market price of the equity instrument on the recognised stock exchange as at reporting dates. Thus, these instruments are valued using Level I hierarchy as stipulated under Ind AS.

#### Financial instruments not measured at fair value

Financial assets not measured at fair value include cash and cash equivalents, trade receivables, loans and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL whose carrying amounts approximate fair value, because of their short-term nature.

#### 47. Change in liabilities arising from financing activities

Particulars	1 April 2023	Cash flows	Change in fair values	Others	31 March 2024
Debt Securities	-	2,092,883	-	15,294	2,108,177
Borrowings(other than debt securities)	18,54,190	(604,190)	-	-	1,250,000
Particulars	1 April 2022	Cash flows	Change in fair values	Others	31 March 2023
Borrowings	1,404,859	4,49,331	-	-	1,854,190

#### 48. Revenue from contracts with customers

The Company derives revenue primarily from share broking business. Its other major revenue sources are portfolio management fees and commission received on distribution of third party financial products.

Disaggregate revenue information.

Particulars	As at	
	31 March 2024	31 March 2023
Brokerage	429,950	249,051
Fees from retail broking products	697	1,071
Commission on distribution of financial products	66,198	75,479
Portfolio Management Fees	45,839	42,898
<b>Total</b>	<b>542,684</b>	<b>368,499</b>

#### Revenue recognition

- (i) Brokerage income on secondary market transactions including derivative segment is recognised on trade date basis.
- (ii) Brokerage / commission income on distribution of financial products is recognised on receipt of acknowledgement from issuer /registrars, net of sub brokerage / commission paid.



## Standard Chartered Securities (India) Limited

### **Notes to the financial statements for the year ended 31 March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

- (iii) Fees from portfolio management services are recognised on accrual basis in accordance with portfolio management services agreement entered with respective clients.
- (iv) Proposition fees collected for retail broking services is accounted on the basis of utilisation of services for trades done.

#### **49. Other Statutory Information**

During the current year and previous year:

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company does not have any transactions with companies struck off.
- iii. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not traded or invested in Crypto currency or Virtual Currency.
- v. The quarterly statements of current assets submitted to banks / financial institutions which are provided as security against the borrowings are in agreement with the books of accounts.
- vi. Funding Transactions:
  - a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
    - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - (II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii. The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.
- ix. The provisions of section 2(87) of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable as the Company does not have any subsidiaries.
- x. The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.



## Standard Chartered Securities (India) Limited

### **Notes to the financial statements for the year ended 31 March 2024 (Continued)**

(Currency: Indian Rupees in 000's)

- xi. The Company has not revalued any property plant and equipment and intangible assets.
- xii. No loans have been granted to promoters, related parties and directors that are repayable on demand or without specifying any terms or period of repayment.
50. Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.
51. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
52. The financial statements of the Company for the year ended 31st March, 2024 were approved for issue by the Board of Directors at their meeting held on May 29, 2024.
53. The Company's financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest thousands, except when otherwise indicated.
54. There have been no events after the reporting date that require adjustments or disclosure in these financial statements.

As per our report of even date

**For S.R. Batliboi & Co. LLP,**  
*Chartered Accountants*  
Firm's Registration No: 301003E/E300005



**per Rutushtra Patell**  
*Partner*  
Membership No: 123596

29 May 2024

Pali, Maharashtra



**For and on behalf of Board of Directors of  
Standard Chartered Securities (India) Limited**



**Zarin Daruwala**  
*Director*  
DIN: 00034655



**Narayanan Raman**  
*COO & CFO*

29 May 2024  
Mumbai



**Rajeev Ratan Srivastava**  
*Managing Director & CEO*  
DIN: 07053900



**Shashikala Vishwakarma**  
*Company Secretary*



## INDEPENDENT AUDITOR'S REPORT

To the Members of Standard Chartered Securities (India) Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Standard Chartered Securities (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("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, 2023, 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 financial statements.

#### Other Information

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2023

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

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2023

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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, 2020 ("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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to 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 except that the Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The exception relating to maintenance of accounts and other matters connected therewith are as stated in the para (b) above;
  - (h) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 financial statements - Refer Note 36 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2023

- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(vi)(a) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 48(vi)(b) to the financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 1, 2023, reporting under this clause is not applicable.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat

Partner

Membership Number: 103380

UDIN: 23103380BGXLNM9503

Mumbai

June 30, 2023



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2023

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Standard Chartered Securities (India) Limited

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (j) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 48(v) to the financial statements, the Company has been sanctioned working capital limits in excess of Indian Rupees five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms, Limited Liability Partnerships or any other parties as follows:

(Indian rupees in 000's)

Particulars	Guarantees	Security	Loans	Advances in nature of loan
Aggregate amount granted/ provided during the year	Not applicable	Not applicable	Margin trade funding loans provided to others	Not applicable
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	21,054,028	-
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	-	-	-	-
- Joint ventures	-	-	-	-
- Associates	-	-	-	-
- Others	-	-	2,369,594	-



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

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- (b) During the year, the terms and conditions of the grant of all loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

During the year the Company has not made investments, provided guarantees, given security and granted advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (c) In respect of a loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loans. (Refer reporting under clause (iii)(f) below)

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly, the requirement to report on this is not applicable.

- (d) There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable to the Company.

- (e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (f) As disclosed in note 6 to the financial statements, during the year, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies or any other parties as stated below and none of these are granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	All Parties (Rs. in '000s)
Aggregate amount of loans/ advances in nature of loans	
- Repayable on demand	21,054,028
Percentage of loans/ advances in nature of loans to the total loans	100%

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited

Audit for the year ended March 31, 2023

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases in payment of provident fund. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of sales tax, duty of customs, duty of excise and value added tax are currently not applicable to the Company.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in 000s)	Amount (Rs. in 000s)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Demand under Section 156 of the Income Tax Act, 1961	Rs. 3,080	Nil	Assessment years 2004-05, 2006-07 and 2008-09	Income Tax Appellate Tribunal, Mumbai
The Finance Act, 1994	Service tax	Rs.12,590	Rs.944*	October 2013 to Sep 2014	Commissioner of GST & Central Excise (Appeals), Mumbai
The Finance Act, 1994	Service tax	Rs.12,287	Nil	October 2013 to Sep 2017	Additional Commissioner of CGST, Mumbai

\*paid under protest

As informed, the provisions of sales tax, duty of customs, duty of excise and value added tax are currently not applicable to the Company.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



# **S.R. BATLIBOI & Co. LLP**

**Chartered Accountants**

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2023

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) As represented by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited

Audit for the year ended March 31, 2023

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 35 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 35 to the financial statements.

For S. R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat

Partner

Membership Number: 103380

UDIN: 23103380BGXLNM9503

Mumbai

June 30, 2023



# **S.R. BATLIBOI & Co. LLP**

**Chartered Accountants**

Standard Chartered Securities (India) Limited

Audit for the year ended March 31, 2023

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Annexure 2 referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Standard Chartered Securities (India) Limited (the "Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

## **Management's Responsibility for Internal Financial Controls**

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

## **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 financial statements, whether due to fraud or error.

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

## **Meaning of Internal Financial Controls with reference to these Financial Statements**

A company's internal financial controls with reference to 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 controls with reference to 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)



# **S.R. BATLIBOI & Co. LLP**

## **Chartered Accountants**

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2023

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 financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on issued by the ICAI.

For S. R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005

per Jitendra H. Ranawat  
Partner  
Membership Number: 103380  
UDIN: 23103380BGXLNM9503

Mumbai  
June 30, 2023



Particulars	Notes	As at	As at
		31 March 2023	31 March 2022
<b>ASSETS</b>			
<b>1 Financial Assets</b>			
Cash and cash equivalents	3	122,494	72,754
Bank balance other than cash and cash equivalents	4	2,525,594	1,924,622
Trade receivables	5	661,455	877,982
Loans	6	2,369,594	1,961,239
Investments	7	45,708	100,113
Other financial assets	8	40,979	39,850
		5,765,824	4,976,560
<b>2 Non-financial Assets</b>			
Property, plant and equipment	9	78,663	98,009
Capital work-in-progress	-	11,225	745
Intangible assets	9	23,250	31,740
Intangible assets under development	-	56,702	14,660
Current tax assets (net)	10	145,294	145,294
Deferred tax assets (net)	11	57,850	83,859
Other non financial assets	12	33,748	28,727
		406,732	403,035
<b>TOTAL ASSETS ( 1 + 2 )</b>		<b>6,172,556</b>	<b>5,379,595</b>
<b>LIABILITIES AND EQUITY</b>			
<b>1 Financial Liabilities</b>			
<b>(I) Trade payables</b>			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	1,126,812	887,397
<b>(II) Other payables</b>			
(i) total outstanding dues of micro enterprises and small enterprises	13	217	288
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		70,695	45,303
Borrowings (other than debt securities)	14	1,854,190	1,404,859
Deposits	15	840	840
Other financial liabilities	16	22,710	16,938
		3,075,464	2,355,625
<b>2 Non-financial Liabilities</b>			
Current tax liabilities (net)	17	7,120	7,045
Provisions	18	53,897	50,703
Other non-financial liabilities	19	72,972	73,203
		133,989	130,951
<b>3 Equity</b>			
Equity share capital	20	2,818,557	2,818,557
Other equity	21	144,546	74,462
		2,963,103	2,893,019
<b>TOTAL LIABILITIES AND EQUITY ( 1 + 2 + 3 )</b>		<b>6,172,556</b>	<b>5,379,595</b>

The accompanying notes forms an integral part of this financial statements

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm registration number : 301003E E300005

*Jitendra H. Ranawat*

per Jitendra H. Ranawat

Partner

Membership No.103380



30 June 2023

Mumbai

For and on behalf of the Board of Directors of

STANDARD CHARTERED SECURITIES (INDIA) LIMITED

*Zarin Daruwala*

Zarin Daruwala

Director

DIN : 00034655

*Narayanan Raman*

Narayanan Raman

COO & CFO

*Rajeev Ratan Srivastava*

Rajeev Ratan Srivastava

Managing Director & CEO

DIN : 07053900

*Shashikala Vishwakarma*

Shashikala Vishwakarma

Company Secretary



**Statement of Profit and Loss for the year ended 31 March 2023**

(Currency: Indian Rupees in 000's)

Particulars	Note	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Revenue from operations</b>			
(i) Fees and commission income	22	368,499	408,987
(ii) Interest income	23	404,665	243,682
<b>(I) Total revenue from operations</b>		<b>773,164</b>	<b>652,669</b>
(II) Other income	24	72,928	61,165
<b>(III) Total income (I + II)</b>		<b>846,092</b>	<b>713,834</b>
<b>Expenses</b>			
(i) Employee benefits expenses	25	255,837	207,702
(ii) Other expenses	26	177,679	157,626
(iii) Depreciation and amortization	27	46,121	43,938
(iv) Finance cost	28	186,074	71,495
(v) Impairment on financial instruments		132	(385)
<b>(IV) Total expenses (IV)</b>		<b>665,843</b>	<b>480,376</b>
<b>(V) Profit/(loss) before tax ( III - IV )</b>		<b>180,249</b>	<b>233,458</b>
<b>(VI) Tax expense:</b>			
(i) Current tax		31,428	39,943
(ii) Deferred tax (credit) / charge		29,915	28,566
<b>Total tax expenses ( VI )</b>		<b>61,343</b>	<b>68,509</b>
<b>(VII) Profit/(loss) after tax ( V - VI )</b>		<b>118,906</b>	<b>164,949</b>
<b>(VIII) Other comprehensive income</b>			
Items that will not be classified to profit or loss			
(i) Actuarial gain / (loss) on defined benefit plans		1,675	(4,380)
(ii) Tax impact on above		(488)	1,276
(iii) Changes in fair gain / (loss) value of equity instruments at FVOCI		(54,405)	79,916
(iv) Tax impact on above		4,396	(7,944)
<b>Other comprehensive income ( VIII )</b>		<b>(48,822)</b>	<b>68,867</b>
<b>(IX) Total comprehensive income for the year ( VII + VIII )</b>		<b>70,084</b>	<b>233,816</b>
<b>(X) Earning per share ( face value Rs.10 per Equity Share )</b>			
Basic ( in Rs )		0.42	0.59
Diluted ( in Rs )		0.42	0.59

The accompanying notes forms an integral part of this financial statements

As per our report of even date  
For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm registration number : 301003E/E300005



per Jitendra H. Ranawat  
Partner  
Membership No.103380

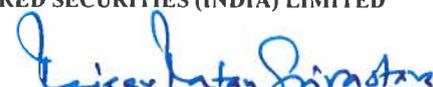


30 June 2023  
Mumbai

For and on behalf of the Board of Directors of  
STANDARD CHARTERED SECURITIES (INDIA) LIMITED



Zarin Daruwala  
Director  
DIN : 00034655



Rajeev Ratan Srivastava  
Managing Director & CEO  
DIN : 07053900



Narayanan Raman  
COO & CFO



Shashikala Vishwakarma  
Company Secretary

Standard Chartered Securities (India) Limited  
**Statement of Cash flow as at 31 March 2023**  
(Currency: Indian Rupees in 000's)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Cash flow from operating activities</b>		
Profit before tax	180,249	233,458
<b>Adjustments for non-cash and non-operating activities:</b>		
Depreciation and amortisation expense	46,121	43,938
Provisions for claims	892	876
Provisions and write off - debts	132	(385)
Provisions and write off - others	1,210	1,164
(Profit)/Loss on sale of Property, Plant and Equipments	(40)	61
Interest expense on borrowings	186,074	71,495
Interest income on fixed deposits	(71,142)	(60,008)
Dividend received	(1,432)	(742)
<b>Operating profit before working capital changes</b>	<b>342,064</b>	<b>289,857</b>
<b>Changes in working capital:</b>		
Decrease / (Increase) in trade receivables	216,395	(483,812)
Decrease / (Increase) in Loans	(408,356)	(980,992)
Decrease / (Increase) in other financial assets	(1,129)	629
Decrease / (Increase) in other non financial assets	(5,021)	22,877
Decrease / (Increase) in bank balances other than cash and cash equivalent	(543,431)	(314,989)
Increase in financial liabilities and provisions	268,392	237,244
Increase in provisions	2,302	6,785
Increase (Decrease) in other non financial liabilities	(231)	(3,634)
	<b>(471,079)</b>	<b>(1,515,892)</b>
<b>Cash generated from (used in) operations</b>	<b>(129,015)</b>	<b>(1,226,035)</b>
Income taxes Paid	(31,352)	(40,735)
<b>Net cash generated from / (used in) operating activities</b>	<b>(A)</b>	<b>(160,367)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and assets under development	(62,041)	(19,969)
Sale of property, plant and equipment	60	30
Dividend Income received	1,432	742
Interest Income received on fixed deposits	13,601	60,008
<b>Net cash generated from investing activities</b>	<b>(B)</b>	<b>(46,948)</b>
<b>C. Cash Flow from financing activities</b>		
Interest expense on borrowings	(185,180)	(70,661)
Net Proceeds from borrowings from NBFC	400,000	1,100,000
Net Proceeds from borrowings other than debt securities	49,331	158,458
Repayment of lease liabilities including interest	(7,096)	(6,891)
<b>Net cash generated from financing activities</b>	<b>(C)</b>	<b>1,180,906</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A + B + C)</b>	<b>(45,053)</b>
Cash and cash equivalents at the beginning of the year	72,754	117,807
<b>Cash and cash equivalents at the end of the year [Note 1 below]</b>	<b>122,494</b>	<b>72,754</b>



Standard Chartered Securities (India) Limited  
Statement of Cash flow as at 31 March 2023  
(Currency: Indian Rupees in 000's)

Notes to Cash flow statement:

I. Components of cash and cash equivalents: [Refer Note No. 3]

Cash on hand

Balances with bank

- in current accounts

Fixed deposits

119,491

27,748

3,003

45,006

122,494

72,754

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For S.R. Battliboi & Co. LLP  
Chartered Accountants

ICAI Firm registration number : 301003E/E300005

For and on behalf of the Board of Directors of  
STANDARD CHARTERED SECURITIES (INDIA) LIMITED



per Jitendra H. Ranawat

Partner

Membership No. 103380



30 June 2023  
Mumbai



Zarin Daruwala  
Director  
DIN : 00034655



Rajeev Ratan Srivastava  
Managing Director & CEO  
DIN : 07053900



Narayanan Raman  
COO & CFO



Shashikala Vishwakarma  
Company Secretary



Standard Chartered Securities (India) Limited  
**Statement of changes in equity as at 31st March 2023**  
(Currency: Indian Rupees in 000's)

**1. Equity share capital**

Particulars	No of Shares	Rs.
As at 1 April 2022	281,855,702	2,818,557
Changes in Equity share capital due to prior year errors	-	-
Change in Equity share capital during the year	-	-
<b>As at 31 March 2023</b>	<b>281,855,702</b>	<b>2,818,557</b>
As at 1 April 2021	281,855,702	2,818,557
Changes in Equity share capital due to prior year errors	-	-
Change in Equity share capital during the year	-	-
<b>As at 31 March 2022</b>	<b>281,855,702</b>	<b>2,818,557</b>

**2. Other equity**

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities premium	Retained earnings	General reserve	Equity instruments designated at FVOCI	
<b>Balance as at 1 April, 2022</b>	2,060,447	(2,203,749)	125,611	92,153	74,462
Profit after tax	-	118,906	-	-	118,906
Other comprehensive income for the year	-	1,187	-	(50,009)	(48,822)
<b>Balance as at 31 March, 2023</b>	<b>2,060,447</b>	<b>(2,083,656)</b>	<b>125,611</b>	<b>42,144</b>	<b>144,546</b>
<b>Balance as at 1 April, 2021</b>	2,060,447	(2,365,594)	125,611	20,182	(159,354)
Profit after tax	-	164,949	-	-	164,949
Other comprehensive income for the year	-	(3,104)	-	71,971	68,867
<b>Balance as at 31 March, 2022</b>	<b>2,060,447</b>	<b>(2,203,749)</b>	<b>125,611</b>	<b>92,153</b>	<b>74,462</b>

The accompanying notes forms an integral part of this financial statements.

As per our report of even date  
For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm registration number : 301003E/E300005

  
per **Jitendra H. Ranawat**  
Partner  
Membership No.103380



30 June 2023  
Mumbai

For and on behalf of the Board of Directors of  
**STANDARD CHARTERED SECURITIES (INDIA) LIMITED**

  
**Zarin Daruwala**  
Director  
DIN : 00034655

  
**Rajeev Ratan Srivastava**  
Managing Director & CEO  
DIN : 07053900

  
**Narayanan Raman**  
COO & CFO

  
**Shashikala Vishwakarma**  
Company Secretary



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

### 1. Corporate Information

Standard Chartered Securities (India) Limited (the "Company") was incorporated under the Companies Act, 1956 on 28 June 1994. The Company is primarily engaged in broking activity on the National Stock Exchange and Bombay Stock Exchange Ltd, Mumbai. The Company has membership for Cash, Derivatives, Currency Derivatives and Debt Segments. The Company also provides Online Trading, Portfolio Management Services and distributes third party financial products. The Company caters to retail clients through its network of 6 Branches across 6 cities in India. The registered office of the Company is located at 2<sup>nd</sup> Floor, 23-25 M.G. Road, Fort, Mumbai - 400001, Maharashtra, India.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

Accounting policies have been consistently applied except where newly issued accounting standard is adopted during the current year or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### *Presentation of Financial statements*

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to The Companies Act, 2013. The financial statements are presented in Indian Rupees which is also the functional currency of the company. Figures are rounded off to the nearest thousand, except when otherwise indicated. The Statement of Cash Flows has been prepared under the Indirect Method set out in Ind AS 7 - "Statement of Cash Flows".

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties

#### 2.2 Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

### 2.3 *Financial Instruments*

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company recognizes all the financial assets and liabilities at its fair value on initial recognition. In the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset are added to the fair value on initial recognition. The financial assets are accounted on a trade date basis.

For subsequent measurement, financial assets are categorised into:

- i. **Amortised cost:** The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.
- ii. **Fair value through other comprehensive income (FVOCI):** The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets.

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments:

Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

- iii. **Fair value through profit or loss (FVTPL):** Financial assets which are neither held at amortised cost nor held at fair value through other comprehensive income are held at fair value through profit or loss. Financial assets and liabilities held at fair value through profit or loss are either mandatorily classified fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.

Financial liabilities are classified as either amortised cost or held at fair value through profit or loss. Management determines the classification of its financial assets and liabilities at initial recognition of the instrument or, where applicable, at the time of reclassification.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 2.4 Property, Plant and Equipment ("PPE"), Intangible Assets and Depreciation / Amortisation

- (i) PPE is stated at cost less accumulated depreciation and impairments, if any. The cost of PPE comprises purchase price and any attributable costs of bringing the asset to its working condition for its intended use. The Company does not own any property.
- (ii) Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date is classified as capital advances and the cost of assets not put to use before such date are classified as Capital Work-in-progress.
- (iii) Depreciation is provided on a straight-line basis over the estimated useful life of the assets as per the management's internal assessment, subject to maximum useful life prescribed under the Companies Act 2013. The depreciation rates applied for the year ended March 31, 2023 are as follows:

Tangible Assets	Useful life of asset
Computer and data processing – end user devices	3 years
Computer and data processing - servers & networks	5 years
Office Equipment	5 years
Furniture and Fittings	10 years
Plant and Equipment	10 years
Lease hold improvements	Lease period

- (iv) The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.
- (v) The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of PPE is measured as the difference between the net disposal proceeds and carrying amount of the item and is recognized in the statement of Profit and Loss when the item is derecognized. The date of disposal of an item of PPE is the date when the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.
- (vi) An intangible asset is recognized only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. These costs are amortised over the expected useful lives, but not exceeding the useful life as stated below.

Intangible assets	Useful life of asset
Software	3 years
Stock exchange trading rights BSE Limited, (BSE)	20 years

- (vii) The useful life of the stock exchange trading rights of BSE has been estimated as 20 years considering that BSE is one of the most active exchanges in the country and also since the Company derives a substantial amount of income through brokerage earned on trades through BSE.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

- (viii) On disposal of fixed assets, the profit or loss is calculated as the difference between net sale proceeds and the net carrying amount as on the date of sale.
- (ix) The Company assesses at each balance sheet date, or as and when a significant event occurs, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying value, the carrying value is reduced to the recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss for the year. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.
- (x) The residual values, useful lives and methods of amortization are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

### 2.5 Revenue recognition

Revenue is measured at fair value of the consideration received or receivable. Ind AS 115 – “Revenue from contracts with customers” outlines a single comprehensive model of accounting from revenue arising from contracts with customers.

The company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115:

#### Step 1: Identify contracts with a customer:

A contract is identified as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

#### Step 2: Identify performance obligations in the contract

A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

#### Step 3: Determine the transaction price

The transaction price is the amount of consideration which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

#### Step 4: Allocate the transaction price to the performance obligations in the contract

For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

#### Step 5: Recognise the revenue when (or as) the Company satisfies a performance obligation

Revenue from contracts with customers is recognized at a point in time when performance obligation is satisfied.

- (i) Brokerage income on secondary market transactions including derivative segment is recognised on trade date basis.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

- (ii) Brokerage / commission income on distribution of financial products is recognised on receipt of acknowledgement from issuer / registrars, net of sub brokerage / commission paid.
- (iii) Fees from portfolio management services are recognised on accrual basis in accordance with portfolio management services agreement entered with respective clients.
- (iv) Proposition fees collected for retail broking services is accounted on the basis of utilisation of services for trades done.
- (v) Dividend is recognised as income as and when the right to receive the same is established, it is probable that the economic benefits associated with dividend will flow to the Company and the amount of dividend can be measured reliably.
- (vi) Interest income is recognized using the effective interest rate method (EIR). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments / receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.
- (vii) Delayed payment charges (DPC) are recognised as income on an accrual basis only in respect of debtors, which are considered good and recoverable.
- (viii) Other income is accrued as per contractual agreements.

### 2.6 *Foreign currency transactions*

Foreign currency transactions are initially recorded in the functional currency at the spot rates of exchange prevailing on the date of the transactions. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are retranslated into the functional currency at the spot rate of exchange at the reporting date. The exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

### 2.7 *Impairment of Trade Receivables*

The Company applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on average of historical loss rate adjusted to reflect current and available forward-looking information affecting the ability of the customers to settle the receivables. The Company has also computed expected credit loss due to significant delay in collection.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

### 2.8 *Leasing*

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The rental charges paid for lease agreements that don't qualify as a lease under Ind AS 116 – "Leases" i.e., low value or short term leases are recognised as Rent expenses in the statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

### 2.8. *Retirement Benefits*

#### **Provident fund**

The Company contributes to a recognised provident fund, which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.

#### **Gratuity**

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

of future benefit that employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value, and the fair value of plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement, and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

Actuarial gains and losses are recognised in Other Comprehensive income under the statement of profit and loss.

### **Leave Encashment**

The Company has discontinued the benefits to its employees under the leave encashment pay plan from April 1, 2009. However, provision for benefits under the old employees' retirement leave encashment plan to eligible employees is made on actuarial valuation basis as per the provisions of Ind AS 19 – Employee Benefits.

### **2.9. Termination Benefits**

Termination benefits are recognised as an expense when, as a result of past events, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### **2.10. Provisions and Contingencies**

The Company recognises a provision when there is a present obligation as a result of past events that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions and subsequent write off of doubtful receivables are made as per management's periodic assessment of the degree of impairment across its products.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

### 2.11 Income Taxes

Income tax expense comprises current tax (i.e. amount of tax for the period, determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, provision is made when the said liabilities are accepted by the Company.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets (DTA) are recognised only to the extent it is probable that assets can be realised in future. DTA on unabsorbed depreciation and carried forward loss under taxation laws are recognised only to the extent it is probable that sufficient future taxable income will be available against which such DTA can be realised. DTA are reviewed at each balance sheet date and written down or written up to reflect the amount that can be probably realised.

### 2.12 Earning Per Share (EPS)

The basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting year. Number of equity shares used in computing diluted EPS comprises of the weighted average number of shares considered for deriving basic EPS and also weighted average number of equity shares, which would have been issued on the conversion of all dilutive potential shares. In computing diluted EPS only potential equity shares that are dilutive are included.

### 2.13 Cash and cash equivalents

Cash and cash equivalents includes cash at banks in current accounts and demand deposits with banks with original maturities of three months or less.

### 2.14 Impairments of Non-Financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

### 2.15 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### 2.16 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate method (EIR). Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 2.17 Fair value measurements

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date. Fair value is the price that would be received against sale of 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 in the accessible principal market or the most advantageous accessible market as applicable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels within a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). These are based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

### 2.18 Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

#### **Ind AS 1 - Presentation of Financial Statements –**

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Company’s financial statements.

#### **Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors –**

This amendment has introduced a definition of accounting estimates’ and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

#### **Ind AS 12 - Income Taxes –**

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31st March 2023 (Continued)

(Currency: Indian Rupees in 000's)

**3 Cash and cash equivalents**

Particulars	As at	As at
	31 March 2023	31 March 2022
Balances with banks		
- in current accounts	119,491	27,748
- Fixed deposits with original maturity of less than three months	3,000	45,000
- Interest accrued on fixed deposits	3	6
<b>Total</b>	<b>122,494</b>	<b>72,754</b>

**4 Bank balance other than cash and cash equivalents**

Particulars	As at	As at
	31 March 2023	31 March 2022
Fixed deposits with banks (with remaining maturity of less than three months)	117,500	-
Fixed deposits with banks (with remaining maturity of more than 3 months )	1,039,088	1,045,157
- Fixed deposits held as margin money with original maturity of less than three months	158,000	-
Fixed deposits held as margin money (with remaining maturity of less than 3 months )	222,000	-
Fixed deposits held as margin money (with remaining maturity of more than 3 months )	878,175	826,175
Less: Impairment loss allowance	-	-
Interest accrued on fixed deposits	110,831	53,290
<b>Total</b>	<b>2,525,594</b>	<b>1,924,622</b>



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31st March 2023 (Continued)

(Currency: Indian Rupees in 000's)

**5 Trade receivables**

Particulars	As at	As at
	31 March 2023	31 March 2022
Receivables considered good - unsecured	661,455	877,982
Receivables considered doubtful	137	232
Less: Impairment loss allowance	(137)	(232)
<b>Total</b>	<b>661,455</b>	<b>877,982</b>

No trade receivables are due from directors or other officers 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.

**Ageing schedule as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade receivables - considered good	655,443	82	-	-	-

There are unbilled dues of Rs.5,930 which are not disclosed in the above ageing as these are not due.

**Ageing schedule as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years
Undisputed Trade receivables - considered good	871,906	-	-	-	-

There are unbilled dues of Rs.6,076 which are not disclosed in the above ageing as these are not due.



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31st March 2023 (Continued)

(Currency: Indian Rupees in 000's)

**6 Loans**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(A) measured at amortized cost</b>		
Margin trade funding (MTF)	2,369,594	1,961,239
Less: Impairment loss allowance		-
<b>Total ( A ) Net</b>	<b>2,369,594</b>	<b>1,961,239</b>
<b>(B) Secured / Unsecured</b>		
Loans secured by securities / shares	2,369,594	1,961,239
Unsecured	-	-
Less: Impairment loss allowance	-	-
<b>Total ( B ) Net</b>	<b>2,369,594</b>	<b>1,961,239</b>
<b>(C) Loans in India</b>		
Others	2,369,594	1,961,239
<b>Total ( C ) Net</b>	<b>2,369,594</b>	<b>1,961,239</b>
<b>Stage wise break up of loans</b>		
(i) Low credit risk ( Stage 1 )	2,369,594	1,961,239
(ii) Significant increase in credit risk (Stage 2)	-	-
(iii) Credit impaired (Stage 3)	-	-
<b>Total</b>	<b>2,369,594</b>	<b>1,961,239</b>

Loan balances are presented net of cash collateral. The loans are repayable on demand on occurrence of events specified in the underlying loan contract.



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31st March 2023 (Continued)

(Currency: Indian Rupees in 000's)

7 Investments

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Investments in equity instruments at fair value through profit and loss (Unquoted)</b>		
Ahmedabad Stock Exchange Limited - 21,000 (Previous year: 21,000) Equity shares of face value of Rs 1/- each	10	10
<b>Investments in equity instruments designated at fair value through other comprehensive income (Quoted)</b>		
BSE Limited - 106,041 (Previous year: 106,041) Equity shares of face value of Rs 2/- each	45,698	100,103
	45,708	100,113
Less: Impairment loss allowance		-
<b>Total investments</b>	<b>45,708</b>	<b>100,113</b>
Investments in India	45,708	100,113
Investments outside India	-	-

8 Other financial assets (Unsecured, considered good)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>At amortized cost</b>		
Deposits with stock exchanges	25,413	25,413
Other deposits (premises and utilities)	4,794	4,794
Recoverable from related parties	7,462	6,193
Other recoverable	3,310	3,450
Less: Impairment loss allowance	-	-
<b>Total</b>	<b>40,979</b>	<b>39,850</b>



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31st March 2023 (Continued)  
(Currency: Indian Rupees in 000's)

9 Property, plant and equipment

(Currency : Indian rupees in '000's)

Description	Gross block at cost				Depreciation/Amortisation				Net block	
	As at 1 April 2022	For the year Additions	Deletions	As at 31 Mar 2023	As at 1 April 2022	For the year Additions	Deletions	As at 31 Mar 2023	As at 31 Mar 2023	As at 31 March 2022
<b>Property, plant and equipment</b>										
<b>Owned assets</b>										
Computer and data processing – end user devices	24,761	1,476	-	26,237	19,220	3,082	-	22,302	3,935	5,541
Computer and data processing – servers & networks	154,706	-	-	154,706	77,481	19,039	-	96,520	58,186	77,225
Furniture and fittings	3,800	-	925	2,875	3,597	72	924	2,745	130	203
Office equipments	19,676	-	386	19,290	15,097	2,234	367	16,964	2,326	4,579
Plant and equipments	2,076	-	570	1,506	1,287	129	570	846	660	789
<b>Leased assets</b>										
Premises (Right of use)	26,407	9,995	7,083	29,319	16,735	6,241	7,083	15,893	13,426	9,672
<b>Total (A)</b>	<b>231,427</b>	<b>11,471</b>	<b>8,964</b>	<b>233,933</b>	<b>133,417</b>	<b>30,797</b>	<b>8,944</b>	<b>155,270</b>	<b>78,663</b>	<b>98,009</b>
<b>Intangible assets</b>										
Computer software	149,791	6,834	-	156,625	118,051	15,324	-	133,375	23,250	31,740
Stock exchange trading rights	13,250	-	-	13,250	13,250	-	-	13,250	-	-
<b>Total (B)</b>	<b>163,041</b>	<b>6,834</b>	<b>-</b>	<b>169,875</b>	<b>131,301</b>	<b>15,324</b>	<b>-</b>	<b>146,625</b>	<b>23,250</b>	<b>31,740</b>
<b>Total (A) + (B)</b>	<b>394,468</b>	<b>18,305</b>	<b>8,964</b>	<b>403,808</b>	<b>264,718</b>	<b>46,121</b>	<b>8,944</b>	<b>301,895</b>	<b>101,913</b>	<b>129,749</b>
<b>Capital work in progress</b>									11,225	745
<b>Intangible assets under development</b>									56,702	14,660

Description	Gross block at cost				Depreciation/Amortisation				Net block	
	As at 1 April 2021	For the year Additions	Deletions	As at 31 March 2022	As at 1 April 2021	For the year Additions	Deletions	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
<b>Property, plant and equipment</b>										
<b>Owned assets</b>										
Computer and data processing – end user devices	22,782	1,979	-	24,761	15,756	3,464	-	19,220	5,541	7,026
Computer and data processing – servers & networks	64,096	90,610	-	154,706	62,228	15,253	-	77,481	77,225	1,868
Furniture and fittings	3,800	-	-	3,800	3,415	182	-	3,597	203	385
Office equipments	19,522	360	206	19,676	13,000	2,303	206	15,097	4,579	6,522
Plant and equipments	1,604	723	251	2,076	1,288	160	161	1,287	789	316
<b>Leased assets</b>										
Premises (Right of use)	25,387	1,020	-	26,407	10,751	5,984	-	16,735	9,672	14,637
<b>Total (A)</b>	<b>137,191</b>	<b>94,692</b>	<b>457</b>	<b>231,427</b>	<b>106,438</b>	<b>27,347</b>	<b>367</b>	<b>133,417</b>	<b>98,009</b>	<b>30,754</b>
<b>Intangible assets</b>										
Computer software	119,901	29,890	-	149,791	101,460	16,591	-	118,051	31,740	18,441
Stock exchange trading rights	13,250	-	-	13,250	13,250	-	-	13,250	-	-
<b>Total (B)</b>	<b>133,151</b>	<b>29,890</b>	<b>-</b>	<b>163,041</b>	<b>114,710</b>	<b>16,591</b>	<b>-</b>	<b>131,301</b>	<b>31,740</b>	<b>18,441</b>
<b>Total (A) + (B)</b>	<b>270,342</b>	<b>124,582</b>	<b>457</b>	<b>394,468</b>	<b>221,148</b>	<b>43,938</b>	<b>367</b>	<b>264,718</b>	<b>129,749</b>	<b>49,195</b>
<b>Capital work in progress</b>									745	88,957
<b>Intangible assets under development</b>									14,660	31,208



**Capital work in progress as at March 31, 2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Projects in progress	10,480		745	-	11,225

**Capital work in progress as at March 31, 2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Projects in progress	-	-	745	-	745

**Intangible under development as at March 31, 2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Projects in progress	47,571	6,401	2,730	-	56,702

**Intangible under development as at March 31, 2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 year	
Projects in progress	11,930	2,730	-	-	14,660

**Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2023**

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Obsolescence Project	3,318	-	-	-	3,318
Digital onboarding	3,434	-	-	-	3,434
Other developments	2,380	-	-	-	2,380

**Capital work in progress estimated completion schedule for overdue projects as at March 31, 2023**

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Obsolescence Project	745	-	-	-	745

**Intangible assets under development estimated completion schedule for overdue projects as at March 31, 2022**

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Obsolescence Project	-	-	-	-	-
Other developments	-	-	-	-	-

**Capital work in progress estimated completion schedule for overdue projects as at March 31, 2022**

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Obsolescence Project	-	-	-	-	-



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31st March 2023 (Continued)

(Currency: Indian Rupees in 000's)

**10 Current tax assets (net)**

Particulars	As at 31 March 2023	As at 31 March 2022
Advance income tax (net) (net of provision of tax of INR 120,006 (previous year: INR 120,006))	145,294	145,294
<b>Total</b>	<b>145,294</b>	<b>145,294</b>

**11 Deferred tax assets (net)**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Deferred tax assets (A)</b>		
Deferred tax assets	13,110	54,711
MAT credit entitlement	48,289	37,093
<b>Total</b>	<b>61,399</b>	<b>91,804</b>
<b>Deferred tax liabilities (B)</b>		
Deferred tax Liabilities		
Fair value of equity instruments designated through FVTOCI	3,549	7,945
<b>Total</b>	<b>3,549</b>	<b>7,945</b>
<b>Net deferred tax assets (A-B)</b>	<b>57,850</b>	<b>83,859</b>



## 12 Other non financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	18,074	13,947
Deposit against appeal	944	944
Advances to suppliers and others	496	773
Indirect tax input credits	14,234	13,063
	<b>33,748</b>	<b>28,727</b>

## 13 Payables

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Trade Payables</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors	<b>1,126,812</b>	<b>887,397</b>
<b>Other Payables</b>		
(i) Total outstanding dues of micro enterprises and small enterprises	217	288
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>70,695</b>	<b>45,303</b>
<b>Total</b>	<b>1,197,724</b>	<b>932,988</b>

## Ageing schedule as at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Payables	33,634	2,043	4,400	91	-	40,168

There are unbilled dues of Rs.1,157,556 which are not disclosed in the above ageing as these are not due.

## Ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
Payables	18,046	488	1,196	-	-	19,730

There are unbilled dues of Rs. 913,258 which are not disclosed in the above ageing as these are not due.



## 14 Borrowings ( other than debt securities )

Particulars	As at 31 March 2023	As at 31 March 2022
<b>At amortized cost</b>		
<b>Term Loan</b>		
From NBFC : Unsecured (from related party)	1,500,000	1,100,000
<b>Working capital facilities</b>		
From Banks : Secured by way of a lien on fixed deposit / Receivable	354,190	304,859
<b>Total</b>	<b>1,854,190</b>	<b>1,404,859</b>
Borrowings in India	1,854,190	1,404,859
Borrowings outside India	-	-
<b>Total</b>	<b>1,854,190</b>	<b>1,404,859</b>

The rate of interest on above borrowings from NBFC was in the range of 6.75% to 8.50% (PY: 6.75% to 7%) and from Banks was in the range of 7.30% to 8.90% (PY: 7 to 8%)

The borrowings from NBFC are repayable after a tenure of 12 months and interest is paid on monthly basis.

## 15 Deposits

Particulars	As at 31 March 2023	As at 31 March 2022
<b>At amortized cost</b>		
Deposits from intermediaries - Unsecured		
Deposits Others	840	840
<b>Total</b>	<b>840</b>	<b>840</b>

## 16 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability	14,474	10,681
Employee benefits payable	7,604	5,694
Other liabilities	632	563
<b>Total</b>	<b>22,710</b>	<b>16,938</b>



**Notes to the financial statements as at 31st March 2023 (Continued)**

(Currency: Indian Rupees in 000's)

**17 Current tax liabilities (net)**

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for tax (net) (net of advance taxes paid of INR 52,578 (previous year: INR 39,778))	7,120	7,045
Total	7,120	7,045

**18 Provisions**

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits		
- Gratuity	11,082	9,946
- Compensated absences	10,014	9,234
- Others	10,646	10,253
Provision Others	76	83
Provision for legal claims	22,079	21,187
Total	53,897	50,703

**19 Other non financial liabilities**

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues	31,844	27,665
Income received in advance	41,128	45,538
Total	72,972	73,203



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31st March 2023 (Continued)  
(Currency: Indian Rupees in 000's)

20 Share Capital

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of Shares	Rs.000's	Number of Shares	Rs.000's
<b>( A ) Authorized:</b>				
Equity Shares of Rs.10/- each	295,000,000	2,950,000	295,000,000	2,950,000
Preference Shares of Rs.100/- each	2,500,000	250,000	2,500,000	250,000
	<b>297,500,000</b>	<b>3,200,000</b>	297,500,000	3,200,000
<b>( B ) Issued, subscribed and fully paid up</b>				
Equity Shares of Rs.10/- each	281,855,702	2,818,557	281,855,702	2,818,557
<b>Total Equity Share Capital</b>	<b>281,855,702</b>	<b>2,818,557</b>	281,855,702	2,818,557

( C ) Reconciliation of the shares outstanding at the beginning of the year and at the end of the quarter

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of Shares	Rs.000's	Number of Shares	Rs.000's
<b>At the beginning of the year</b>	281,855,702	2,818,557	281,855,702	2,818,557
<b>At the end of the year</b>	281,855,702	2,818,557	281,855,702	2,818,557

( D ) Terms / rights / restrictions attached to equity shares

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. There are no restrictions on payment of dividend to equity shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31st March 2023 (Continued)  
(Currency: Indian Rupees in 000's)

( E ) Details of Shareholding more than 5% Shares in Company ( Face value of Rs.10 per share )

Name of Shareholder	As at 31 March, 2023		As at 31 March, 2022	
	No of Shares	% Held	No of Shares	% Held
Standard Chartered Bank (Mauritius) Limited and its nominees*	281,855,702	100	281,855,702	100

\* Standard Chartered Bank (Mauritius) Limited represent the promoters of the Company.

( F ) Shares reserved for issue under employee stock option plans

No shares were reserved for issue under employee stock options plans as at March 31, 2023 and March 31, 2022

( G ) During the preceding five years the Company has not:

- allotted fully paid up shares without payment being received in cash
- issued fully paid up bonus shares
- bought back shares

( H ) Capital management :

The Company's objective for capital management is to maximize 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.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by the Securities and Exchange Board of India (Stock brokers and sub-brokers) Regulations 1992 and SEBI (Portfolio Managers) Regulation, 2020, as amended. The management ensures that this is complied at all times.



## 21 Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Reserves and surplus</b>		
<b>Securities premium</b>		
Balance at the beginning of the year	2,060,447	2,060,447
Add : Addition during the year		-
Balance at the end of the year	2,060,447	2,060,447
General reserve	125,611	125,611
<b>Retained earnings</b>		
Balance at the beginning of the year	(2,203,749)	(2,365,594)
Add : Profit / (loss) for the year	118,906	164,949
Add: Item of other comprehensive income recognised directly in retained earnings	1,187	(3,104)
Balance at the end of the year	(2,083,656)	(2,203,749)
<b>Other comprehensive income (fair value of equity investments)</b>		
Balance at the beginning of the year	92,153	20,182
Addition during the year	(50,009)	71,971
Balance at the end of the year	42,144	92,153
<b>Total</b>	<b>144,546</b>	<b>74,462</b>

## Nature and purpose of reserve

## a) Securities premium

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

## b) General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

## c) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

## d) Other comprehensive income

Other comprehensive income consist of remeasurement gains/losses on fair valuation of instruments designated at fair value through other comprehensive income.



Standard Chartered Securities (India) Limited  
Notes to the financial statements for the year ended 31 March 2023  
(Currency: Indian Rupees in 000's)

22 Fees and commission income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Brokerage charges	249,051	313,352
Fees from broking products	1,071	1,648
Commission on distribution of financial products	75,479	49,229
Portfolio management fees	42,898	44,758
<b>Total</b>	<b>368,499</b>	<b>408,987</b>

23 Interest income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>On financial assets measured at amortized cost</b>		
Interest on fixed deposits / cash placed towards base capital with exchanges	67,577	51,976
Interest on margin trading funding (MTF)	331,822	187,998
Delayed payment charges	5,266	3,708
Other interest income (previous year Rs. 188)	-	0
<b>Total</b>	<b>404,665</b>	<b>243,682</b>

24 Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Dividend received	1,432	742
Profit on sale of fixed assets	40	-
Interest on deposits with banks	71,142	60,008
Other interest income	4	337
Others	310	78
<b>Total</b>	<b>72,928</b>	<b>61,165</b>

25 Employee benefit expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries and Wages	239,039	197,128
Contributions to provident and other funds	7,366	5,808
Gratuity	2,883	1,931
Staff Insurance	4,076	2,143
Staff welfare expenses	2,473	692
<b>Total</b>	<b>255,837</b>	<b>207,702</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements for the year ended 31 March 2023 (Continued)

(Currency: Indian Rupees in 000's)

### 26 Other expenses:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Repairs and maintenance	63,687	47,143
Rent	33,051	31,569
Outsourcing costs	19,285	15,169
Legal and professional fees	17,571	21,501
Telephone and connectivity	15,635	13,517
Travelling expenses	6,375	5,794
Membership and subscription	5,234	7,812
Donations and contributions	3,341	2,511
Auditor's fees and expenses (refer note below) #	2,684	2,724
Shared support costs	2,121	1,637
Postage and courier	2,512	2,638
Printing and stationery	1,660	1,753
Provisions for claims	892	876
Electricity	644	626
Marketing, business promotion and advertising	382	435
Insurance	274	324
Loss on sale of fixed assets including write off (net)	-	61
Provisions and write off - others	1,210	1,164
Others	1,121	372
<b>Total</b>	<b>177,679</b>	<b>157,626</b>

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
a) for audit fees	2,600	2,467
b) for other services including certificates	50	50
c) for reimbursement of expenses	34	207
<b>Total</b>	<b>2,684</b>	<b>2,724</b>

### 27 Depreciation and amortization

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation of property, plant and equipment	30,797	27,347
Amortization of intangible assets	15,324	16,591
	<b>46,121</b>	<b>43,938</b>

### 28 Finance Costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>On Instruments measured at amortized cost</b>		
Bank charges	1,952	590
Interest on borrowings	66,851	44,195
Interest on borrowings from related parties	107,870	25,540
Interest on Others (commercial paper)	8,486	-
Interest others	21	336
Interest on lease liability	894	834
<b>Total</b>	<b>186,074</b>	<b>176,495</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### 29. Earnings per Share

- a) Basic and diluted Earnings per share

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

Particulars		As at 31 March 2023	As at 31 March 2022
A	Equity shares outstanding at the beginning of the year (A) Nos.	28,18,55,702	28,18,55,702
B	Add: Weighted average number of equity shares issued during the year (B) Nos.	-	-
C	Weighted average number of equity shares for basic and diluted earnings per share (C) = (A+B) Nos.	28,18,55,702	28,18,55,702
D	Net profit after tax available for equity shareholders (D) Rs.	118,906	164,949
E	Basic and diluted earnings per share (Nominal value of Rs.10 each) (D/C) Rs.	0.42	0.59

### 30. SEGMENT INFORMATION

#### Primary Segment

The Chief Operating Decision Maker (CODM) monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segment has been identified considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure. The Company operates only in one business segment namely "Broking, Advisory and Financial intermediation Services" comprising of Broking, portfolio management services and Distribution of third-party products.

### 31. Related Parties Disclosures

- (i) Names of related parties and nature of relationship

Name of the related party	Nature of relationship
Standard Chartered PLC	Ultimate parent Company
Standard Chartered Bank (Mauritius) Ltd.	Parent
Standard Chartered Bank, India Branches	Branch of Holding Company of the Parent
Standard Chartered Capital Ltd. (Formerly Standard Chartered Investments and Loans (India) Limited)	Fellow Subsidiary
Standard Chartered Bank, Singapore	Branch of Holding Company of the Parent
Standard Chartered Global Business Services Pvt. Ltd.	Fellow Subsidiary
Standard Chartered Bank, UK	Branch of Holding Company of the Parent



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### (ii) Key Management Personnel

Name of the Related Party	Nature of Relationship
Rajeev Srivastava	Managing Director (w.e.f. 11 <sup>th</sup> October 2021)
Abhinav Trivedi	Managing Director (up to 10 October 2021)

### (iii) Details of transactions and amounts due to / from related parties

Transactions with Standard Chartered Bank - India branches (SCBI)	Year Ended 31 March 2023	Year Ended 31 March 2022
Secondment charges	6,084	5,161
Rent paid	30,750	31,145
Support Cost Allocation	4,516	3,652
Bank charges	16	66
Interest on overdraft	4	8
Referral fees – expense	376	245
Interest on fixed deposit	4,832	3,165
Brokerage Income	142	103
Recharge (customer care services)	2,395	2,103
Other recharges	500	268

Transactions with Standard Chartered Bank - India branches (SCBI)	Year Ended 31 March 2023	Year Ended 31 March 2022
Sale of Assets	30	-
Purchase of foreign currency – USD	1,593	382
Purchase of foreign currency – GBP	-	3,229
Fixed deposits placed	170,000	175,000
Fixed deposits matured	152,500	172,500

Balances with Standard Chartered Bank - India branches (SCBI)	As at 31 March 2023	As at 31 March 2022
Fixed deposit	120,000	102,500
Expenses payable	14,398	5,423
Closing bank balances	117,308	27,093
Interest accrued (but not due) on fixed deposits	1,279	668
Receivable towards expenses	2,622	1,569



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

<b>Balances with Standard Chartered Bank (Mauritius) Ltd.</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Share capital	2,818,557	2,818,557

<b>Transactions with Standard Chartered Capital Ltd (formerly Standard Chartered Investments and Loans (India) Ltd.)</b>	<b>Year Ended 31 March 2023</b>	<b>Year Ended 31 March 2022</b>
Rent Income	643	1,855
Brokerage income	1,607	54
Reimbursement of expenses	-	-
Interest on Term Loan	107,865	25,532
Borrowings	1,700,000	1,100,000
Repayments	1,300,000	-

<b>Balances with Standard Chartered Capital Ltd. (formerly Standard Chartered Investments and Loans (India) Ltd.)</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Rent Receivable	1,387	1,136
Rent payable	76	76
Reimbursement of Expense	32	32
Working Capital Term Loan	1,500,000	1,100,000

<b>Transactions with Standard Chartered Bank – Singapore</b>	<b>Year Ended 31 March 2023</b>	<b>Year Ended 31 March 2022</b>
Market Data Services recharge	998	913

<b>Balances with Standard Chartered Bank – Singapore</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Net Payable towards expenses	2,277	1,327
Receivable towards reimbursements	3,456	3,456

<b>Transactions with Standard Chartered PLC</b>	<b>Year Ended 31 March 2023</b>	<b>Year Ended 31 March 2022</b>
Expenses towards restricted sharesave scheme / supplementary restricted sharesave scheme and sharesave scheme	73	40



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

<b>Balances with Standard Chartered PLC</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Payable under the restricted sharesave scheme and sharesave scheme	52	716

<b>Transactions with Standard Chartered Global Business Services Pvt. Ltd.</b>	<b>Year Ended 31 March 2023</b>	<b>Year Ended 31 March 2022</b>
Processing Charges	7,421	7,170

<b>Balances with Standard Chartered Global Business Services Pvt. Ltd.</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
Payable towards expenses	634	1,788

<b>Transactions with Standard Chartered Bank, UK</b>	<b>Year Ended 31 March 2023</b>	<b>Year Ended 31 March 2022</b>
Annual Maintenance charges for software license	-	538

### (iv) Particulars of Key Management Personnel

<b>Transactions with Rajeev Srivastava</b>	<b>Year Ended 31 March 2023</b>	<b>Year Ended 31 March 2022</b>
Managing Director remuneration	14,251	10,864

<b>Transactions with Abhinav Trivedi</b>	<b>Year Ended 31 March 2023</b>	<b>Year Ended 31 March 2022</b>
Managing Director remuneration	-	7,114

As the liabilities for gratuity are provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

### 32. Staff Cost and Support Service Charge

Costs (including retirement benefit relating to staff seconded from SCBI) are recovered by SCBI from the Company on a monthly basis. These costs are disclosed in Note 25 and as secondment costs under related party disclosures. The Company also avails from SCBI certain support services (Human Resources, Legal and Property Services) for which SCBI charges the Company based on an identifiable criteria. These costs are included in Note 26 under the head "Shared Support Cost" and as support cost allocation under related party disclosures. The Company also provides services to SCBI towards client care services for its Depository clients for which the Company charges



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

SCBI based on an identifiable criteria. These costs are included in Note 26 under the head "Shared Support Cost" and as Recharge (Customer care services) under related party disclosures.

### 33. Outsourcing cost

Standard Chartered Global Business Services Pvt. Ltd. ('SCGBS') provides a wide range of services like finance and accounting services, IT service, HR services, etc. to the Group globally. SCGBS issues monthly invoices whereby the cost is based on the agreed cost per full time employee and cost per transaction in case of accounting operations. Such expenditure is disclosed as Outsourcing Costs under Note 26.

### 34. Foreign Currency Transactions

Particulars	For the year ending	
	31 March 2023	31 March 2022
<b>Expenditure in foreign currency (accrual basis)</b>		
Membership & Subscription	998	914
License fees for use of software	-	538
Professional Fees	923	1,517
Restricted share scheme and supplementary restricted share scheme grant	73	40
Software Maintenance	21	48
<b>Total</b>	<b>2,015</b>	<b>3,057</b>

### 35. Statement of Corporate Social Responsibility Expenditure

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.

Details of amount spent:

Sr. No	Particulars	For the year ending	
		31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
A	Gross amount required to be spent by the Company during the year	3,341	2,511
B	Amount of expenditure incurred	3,341	2,511
C	(Excess) / Shortfall at the end of the year	-	-
d	Total of previous years shortfall / (Excess)	-	-
e	Reason for shortfall	NA	NA
f	Nature of CSR activities	To support the education of underprivileged girls enrolled in Government schools across India.	To protect underprivileged people from a hunger epidemic and to promote nutrition, immunity, education, and hygiene in children and their families
g	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
h	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shows separately	NA	NA



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### 36. CONTINGENT LIABILITIES

Sr. No.	Particulars	As at	
		31 March 2023	31 March 2022
1	Claims against the Company not acknowledged as debt (Refer Note 3)	40,121	40,121
2	Income tax demand disputed in appeal	3,080	3,080
3	Service Tax demands	24,877	24,877
	<b>Total</b>	<b>68,078</b>	<b>68,078</b>

Note:

1. Tax liabilities (including interest and penalty) of the Company for the assessment years 2004-05, 2006-07 and 2008-09 and service tax demands for the period October 2013 to September 2017 are pending final outcome of the rectification and appeals filed by the Company. The Company believes that these demands are unsustainable and accordingly, no provisions have been made.
2. The Company has a process whereby periodically all long term contracts, if any are assessed for material foreseeable losses. As at 31 March 2023 and as at 31 March 2022, there are no long term contracts entered by the Company.
3. The Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. It does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

### 37. CAPITAL COMMITMENTS

Sr. No.	Particulars	As at	
		31 March 2023	31 March 2022
1	Estimated amounts of contracts remaining to be executed on Capital Account and not provided for (net of advances)	22,512	10,073

### 38. EMPLOYEE BENEFITS

#### Gratuity

The Company's Gratuity scheme is a defined benefit plan and is managed through a policy obtained from Life Insurance Corporation of India.

The following table summarizes the components of net expenses for gratuity benefits recognized in the statement of profit and loss, other comprehensive income and amount recognized in the balance sheet.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### a) Movement in defined benefit obligation

Particulars	As at 31 March	
	2023	2022
<b>Present value of obligation as at the beginning</b>	20,094	18,174
Current service cost	2,344	1,636
Interest expense or cost	1,208	1,129
Remeasurements due to :		
- Actuarial loss /(gain) arising from change in financial assumptions	(587)	2,449
- Actuarial loss /(gain) arising from change in demographic assumptions	(731)	-
- Actuarial loss /(gain) arising on account of experience changes	1,167	520
Benefits paid	(1,328)	(2,086)
Acquisition adjustment*	(555)	(1,727)
<b>Present value of obligation as at the end</b>	<b>21,612</b>	<b>20,094</b>

\*On account of business combination or intergroup transfer

### b) Movement in Plan assets

Particulars	As at 31 March	
	2023	2022
<b>Fair value of plan assets as at the beginning of the year</b>	10,146	11,125
Employer contributions	-	3,412
Interest on plan assets	743	833
Return on plan assets, excluding amount recognized in net interest expense	1,524	(1,411)
Benefits paid	(1,328)	(2,086)
Assets Acquired / (Settled)*	(555)	(1,727)
<b>Fair value of plan assets as at the end of the year</b>	<b>10,530</b>	<b>10,146</b>

\*On account of business combination or intergroup transfer

### c) Reconciliation of net liability/asset

Particulars	As at 31 March	
	2023	2022
<b>Net defined benefit liability/(asset) as at the beginning of the year</b>	9,948	7,049
Expenses charged to statement of profit and loss	2,809	1,931
Amount recognized in other comprehensive income	(1,675)	4,380
Employer contribution	-	(3,412)
<b>Net defined benefit liability/(asset) as at the end of the year</b>	<b>11,082</b>	<b>9,948</b>

### d) Expenses charged to the Statement of Profit & Loss

Particulars	As at 31 March	
	2023	2022
Current Service Cost	2,344	1,636
Net Interest Cost / (Income) on the net defined benefit liability/(Asset)	465	296
<b>Expenses recognized in the income statement</b>	<b>2,809</b>	<b>1,931</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### e) Movement in asset ceiling

Particulars	As at 31 March	
	2023	2022
Effect of asset ceiling at the beginning of the year	-	-
Interest on opening balance of asset ceiling	-	-
Remeasurements due to change in surplus/deficit	-	-
Effect of asset ceiling as at the end of the year	-	-

### f) Re measurement (gains)/losses in other comprehensive income

Particulars	As at 31 March	
	2023	2022
Actuarial (gains)/losses		
Opening balance	5,211	831
Change in financial assumptions	(587)	2,449
Change in demographic assumptions	(731)	-
Experience adjustments	1,167	520
Return on plan assets, excluding amount recognized in net interest expense	(1,524)	1,411
Components of defined benefit costs recognized in other comprehensive income	3,536	5,211

### g) Amount recognized in Balance Sheet

Particulars	As at 31 March	
	2023	2022
Present value of obligation	21,612	20,094
Fair value of plan assets	10,530	10,146
Net funded obligation	11,082	9,948
Net (Asset) / Liability	11,082	9,948

### h) Key actuarial assumptions

Particulars	As at 31 March	
	2023	2022
Discount Rate (p.a.)	7.40%	6.25%
Salary growth rate (p.a.)	10% until year 5 inclusive, then 8.50%	8.50%



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### i) Sensitivity analysis for significant assumptions is as shown below

Particulars	As at	
	31 March 2023	
	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 25 bps	21,276	21,891
impact of increase in 25 bps on DBO	-1.56%	1.29%
Defined benefit obligation on decrease in 25 bps	21,958	21,335
impact of decrease in 25 bps on DBO	1.60%	-1.28%

### j) Projected plan cash flow:

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

Particulars	As at
	31 March 2023
<b>Maturity Profile</b>	
Expected benefit for 1 year	2,383
Expected benefit for 2 to 5 years	10,905
Expected benefit for 6 to 9 years	9,287
Expected benefit for more than 10 years	15,367

The weighted average duration to the payment of these cash flows is 6.32 years.

## 39. LEASE

The Company has entered into lease contracts for various properties across India for its office premises used in its operations. There are no variable lease payments, residual agreements, sale and leaseback arrangements and other restrictions. For short-leases, the Company has recorded rental expense of Rs. 33,051 (Previous year: Rs.31,569) in the Statement of profit and loss.

Set out below are the carrying amount of right-of-use assets recognized and movement during the year.

Particulars	Amount
<b>Balance as at 31 March, 2022</b>	<b>9,672</b>
Additions	9,995
Closure	-
Depreciation expense	(6,241)
<b>Balance as at 31 March, 2023</b>	<b>13,426</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

Set out are the carrying amount of lease liabilities and movement during the year :

Particulars	For the year ending	
	31 March 2023	31 March 2022
As at 1 April	10,681	15,719
Additions	9,995	1,020
Accretion of interest	894	834
Closure	-	-
Payments	(7,096)	(6,892)
<b>Balance as at 31 March, 2023</b>	<b>14,474</b>	<b>10,681</b>
Current	2,790	5,374
Non Current	11,684	5,307

The maturity of lease liabilities is disclosed in Note 44.

The effective interest rate of lease liabilities is 6.73% with maturities between one to three years.

The details of the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis is as follows:

Particulars	As at
	31 March 2023
Up to one year	3,736
One to five years	13,382
More than five years	-
<b>Total</b>	<b>17,118</b>

The following are the amounts recognized in statement of profit or loss.

Particulars	For the year ending	
	31 March 2023	31 March 2022
Depreciation expense right of use of assets	6,241	5,984
Interest expense on lease liabilities	894	834
<b>Total Amount recognized in statement of profit and loss account</b>	<b>7,135</b>	<b>6,818</b>

#### 40. Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are

Particulars	As At	
	31 March 2023	31 March 2022
<b>Financial Asset</b>		
Fixed Deposits pledged against Overdraft facility	1,156,588	1,043,480
Fixed Deposits pledged against Bank Guarantee	169,000	55,000

Fixed Deposits are pledged with bank for overdraft facilities sanctioned and Bank Guarantees availed.



# Standard Chartered Securities (India) Limited

## **Notes to the financial statements (Continued)**

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

Further, the Company has hypothecated its receivables from broking clients to avail cash credit facility from bank. The outstanding cash credits against these receivables was Rs.3,000 as at 31<sup>st</sup> March 2023 (csr year : NIL).

Shares (i) received from clients as collateral for margins/ security deposits, (ii) of clients, withheld against their outstanding balances, are held by the Company in its own name in a fiduciary capacity.

### **41. Financial Risk Management**

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

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

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

The risk management system features a 'three lines of defence' approach.

1. The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
2. The second line of defence comprises specialized departments such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.
3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

#### **a) Credit risk**

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

The Company's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits and unbilled revenues.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable and loans.



# Standard Chartered Securities (India) Limited

## **Notes to the financial statements (Continued)**

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### **Trade receivable:**

The Company applies the Ind AS 109 simplified approaches to measuring expected credit losses (ECLs) for trade receivables and 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.

For broking debtors, any outstanding amounts exceeding 30 days is considered for impairment provisioning. For other receivables, any outstanding amounts exceeding 120 days post the due date is considered for impairment provisioning.

Trade receivable of the Company are of short duration with credit period ranging up to maximum 120 days. In case of delay in collection, the Company has right to charge interest (commonly referred as delayed payment charges) on overdue amount of broking debtors for the overdue period.

There is no historical loss incurred in respect of Receivable from Exchange. Entire exposure/receivable as at each reporting period is received and settled within 1 day from reporting period. Therefore, no ECL is recognised in respect of receivable from Exchange.

Particulars	As at	
	31 March 2023	31 March 2022
Trade and other receivables (net of impairment)	661,455	8,77,982
Loan (net of impairment)	23,69,594	1,961,239

### **Loans:** Loans comprise of margin trading funding (MTF).

All loans in MTF loan book are considered as good and recoverable as long as there is sufficient coverage of the outstanding loan amount by way of collateral funds or stocks pledged in favour of the Company. Adequate haircuts on stock collateral are applied as per the Credit Risk Policy to ensure coverage of the outstanding loan amount post haircut. Management expects that there will be no credit loss on account of its exposure to loan book.

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Company has a large customer base with shared credit risk characteristics. Margin trading facilities are secured by collaterals. As per policy of the Company, margin trading facilities to the extent covered by collateral and servicing interest on a regular basis is not considered as due/default. Accounts becoming due/default are fully written off as bad debt against respective receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss as bad debts recovered.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these margin trading facilities is the maximum contractual period (i.e. settlement day).



# Standard Chartered Securities (India) Limited

## **Notes to the financial statements (Continued)**

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

For the computation of ECL, the margin trading facilities are classified into three stages as follows:

Following table provides information about exposure to credit risk and ECL on Margin trading facility

<b>Staging as per Ind AS 109</b>	<b>Receivable including interest</b>
Stage 1	0 to 30 days past due
Stage 2	31 to 90 days past due
Stage 3	More than 90 days past due

The Company does not have any margin trading facilities which may fall under stage 2 or stage 3.

ECL is computed as follows assuming that these receivables are fully recalled by the Company at each reporting period.

EAD is considered as receivable including interest (net of write off).

PD is considered at 100% for all receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.

### **Recognition of Expected Credit Losses for Margin Trading Facility (MTF) Book:**

The concept of expected credit losses (ECLs) as per IndAS 109 means that companies are required to look at how current and future economic conditions impact the amount of loss.

ECL is a popular concept in the banking industry and is mostly created for loan portfolio. Though Margin Trading Facility (MTF) comes under the ambit of lending, the contours vary as compared to a conventional lending product and hence there is no creation of ECL for MTF in the Broking industry. Akin to the practise, the Company is also not creating separate Expected Credit Loss line for Margin Trading Facility portfolio due to the following additional reasons: -

1. Continuous Replenishment – Clients are required to maintain margins at all points of time. In case of margin shortfall, clients are expected to replenish the same on an immediate basis
2. Liquid Collateral – Margins are collected from clients in the form of cash and shares. Shares meeting stringent risk norms are only permitted as part of margin and collateral basket.
3. Robust Risk Assessment – the Company has a robust risk management where client's positions are monitored on a real-time basis. Clients not meeting the margin requirement are forcefully unwound after giving margin call.
4. Nil Historical losses – the Company has never incurred a trading loss in the last 5 years.

Given the aforesaid rationale the Company has not created any ECL for the MTF book.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### Collaterals

The Company holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Instrument type	Percentage of exposure that is subject to collateral		Principal type of collateral held
	31 March 2023	31 March 2022	
Margin Trading Facility	100 %	100 %	Shares and Securities

### Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally place/invest the amounts in Current Accounts or in Fixed deposits with reputed Scheduled banks. Investments mainly comprise of quoted equity instruments which are market tradeable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory norms.

### b) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

With a view to maintaining liquidity with minimal risks the Company invests its surplus funds in fixed deposits with banks. The Company monitors its cash and bank balances regularly to meet its obligations and financial liabilities.

Refer note 44 for analysis of maturities of financial assets and financial liabilities.

### c) Market Risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

#### (i) Equity Price Risk

The Company's exposure to equity price risk arises primarily on account of its margin-based positions of its clients in equity cash and derivative segments. The Company's equity price risk is managed in accordance with its Risk policy.

Management believes that there is no significant Equity Price risk that will have an impact on the Profit and loss account of the Company. The Company holds investments in certain equity



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

instruments. The sensitivity of change in the market price of equity instruments is presented as follows:

Particulars	As At	
	31 March 2023	31 March 2022
Investment in equity instruments		
- Carrying value	45,708	100,113
- 5% price increase	2,285	5,006
- 5% price decrease	(2,285)	(5,006)

### (ii) Interest rate risk

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. 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.

The Company's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

Financial Assets	As At	
	31 March 2023	31 March 2022
Fixed deposits with Banks		
- Carrying value	24,17,763	1,916,332
- 0.5% interest rate increase	12,089	9,582
- 0.5% interest rate decrease	(12,089)	(9,582)
Loans to customers (Margin trading funding)		
- Carrying value	23,69,594	1,961,239
- 0.5% interest rate increase	11,848	9,806
- 0.5% interest rate decrease	(11,848)	(9,806)

Financial Liabilities	As At	
	31 March 2023	31 March 2022
Working capital facilities		
- Carrying value	354,190	304,859
- 0.5% interest rate increase	1771	1,524
- 0.5% interest rate decrease	(1771)	(1,524)
Term loan		
- Carrying value	1,500,000	1,100,000
- 0.5% interest rate increase	7500	5,500
- 0.5% interest rate decrease	(7500)	(5,500)

### (iii) Foreign currency risk

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



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

Foreign currency risk management:

In respect of foreign currency transactions, the Company does not hedge the exposures since the management believes that the same is insignificant and will not have a material impact on the Company.

The Company's exposure to foreign currency risk at the end of reporting period is as under:-

### Receivables

Particulars	Currency	As At	
		31 March 2023	31 March 2022
Unhedged Foreign currency exposure	USD	42	46
	INR	3,456	3,456

### Payables

Particulars	Currency	As At	
		31 March 2023	31 March 2022
Unhedged Foreign currency exposure	USD	1	19
	INR	70	1,441
	GBP	17	8
	INR	1,732	810
	SGD	37	-
	INR	2,277	-

The Company has considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing the impact on the financial statements.

Management believes that the Company's foreign currency risk relating to the financial assets and liabilities is not significant considering the quantum of these financial assets.

## 42. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

On the basis of the information and records including confirmations sought from suppliers on registration with specified authority under MSMED the following disclosures are made under the Micro, Small and Medium Enterprises Development Act, ('MSMED') which came into force from October 2, 2006.

Particulars	As at	As at
	31 March 2023	31 March 2022
Principal amount remaining unpaid beyond the due date to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid and payments made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under this Act	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, till actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

The above is based on the information available with the Company, which has been relied upon by the auditors



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

### 43. Income Tax

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

Particulars	As at	
	31 March 2023	31 March 2022
Current Income tax	31,428	39,943
Deferred tax	41,111	51,305
Mat credit	(11,196)	(22,739)
<b>Tax expense for the year</b>	<b>61,343</b>	<b>68,509</b>
<b>Amounts recognized in other comprehensive income</b>		
Items that will not be classified to profit or loss		
Actuarial gain/(loss) on defined benefit plans	1,675	(4,380)
Changes in fair value of equity instruments at FVOCI	(54,405)	79,916
Income tax relating to items that will not be classified to profit or loss	3,908	(6,669)
<b>Total other comprehensive income</b>	<b>(48,822)</b>	<b>68,867</b>

B) Reconciliation of tax expenses and the accounting profit for the year is as under: -

Particulars	For the year ended	
	31 March 2023	31 March 2022
Profit before tax	180,249	233,458
Indian statutory income tax rate (%)	29.12%	29.12%
Expected income tax expenses	52,488	67,983
<b>Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses</b>		
Expenses not deductible	487	440
Others items	(301)	86
Tax relating to set off of earlier year's losses	8,669	-
<b>Total income tax expenses</b>	<b>61,343</b>	<b>68,509</b>

C) Deferred tax disclosure - Movement of deferred tax assets and liabilities

Particulars	As at 1 April 2022	Credit/(Charge) in the statement of profit and loss	Credit/(Charge) in other comprehensive income	As at 31 March 2023
Provision for Gratuity	2,896	819	(488)	3,227
Depreciation	1,168	(975)	-	193
Provision for doubtful debts	67	(27)	-	40
Provision for claims	6,169	260	-	6,429
Provision for leave encashment/holiday pay	2,689	227	-	2,916
Leases as per Ind AS	(21)	326	-	305
Gain – changes in fair value of equity instruments	(7,945)	-	4,396	(3,549)
Unabsorbed losses	41,742	(41,742)	-	-
Mat credit entitlement	37,093	11,196	-	48,289
<b>Net deferred tax assets/(liabilities)</b>	<b>83,859</b>	<b>(29,917)</b>	<b>3,908</b>	<b>57,850</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

Particulars	As at	Credit/(Charge) in	Credit/(Charge)	As at
	1 April 2021	the statement of	in other	31 March 2022
		profit and loss	comprehensive	
			income	
Provision for Gratuity	2,053	(432)	1,275	2,896
Depreciation	8,267	(7,099)	-	1,168
Provision for doubtful debts	196	(129)	-	67
Provision for claims	5,914	255	-	6,169
Provision for leave encashment/holiday pay	2,274	415	-	2,689
Leases as per Ind AS	86	(107)	-	(21)
Gain – changes in fair value of equity instruments	-	-	(7,945)	(7,945)
Unabsorbed losses	85,949	(44,207)	-	41,742
Mat credit entitlement	14,354	22,739	-	37,093
<b>Net deferred tax assets/(liabilities)</b>	<b>119,093</b>	<b>(28,565)</b>	<b>(6,670)</b>	<b>83,859</b>

#### 44. MATURITY ANALYSIS

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2023		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	122,494	122,494	-
Bank balance other than above	2,525,594	1,393,945	1,131,649
Trade receivables	661,455	661,455	-
Loans	23,69,594	23,69,594	-
Investments	45,708	-	45,708
Other financial assets	40,979	10,671	30,308
<b>Non-Financial assets</b>			
Property, plant and equipment	78,663	-	78,663
Capital work-in-progress	11,225	-	11,225
Intangible assets	23,250	-	23,250
Intangible assets under development	56,702	-	56,702
Current tax assets	145,294	145,294	-
Deferred tax assets	57,850	-	57,850
Other non- financial assets	33,748	32,149	1,599
	<b>6,172,556</b>	<b>4,735,602</b>	<b>1,436,954</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and other payables	1,197,724	1,197,724	-
Borrowings (other than debt security)	1,854,190	354,190	1,500,000
Deposits	840	840	-
Other financial liabilities	22,710	11,026	11,684
<b>Non-Financial Liabilities</b>			
Current tax liabilities	7,120	7,120	-
Provisions	53,897	12,562	41,335
Other non-financial liabilities	72,972	72,972	-
	<b>3,209,453</b>	<b>1,656,434</b>	<b>1,553,019</b>
<b>Net Assets</b>	<b>2,963,103</b>	<b>3,079,168</b>	<b>16,065</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

Particulars	As at March 31, 2022		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	72,754	72,754	-
Bank balance other than above	1,924,622	1,142,093	782,529
Trade receivables	877,982	877,982	-
Loans	1,961,239	1,961,239	-
Investments	100,113	-	100,113
Other financial assets	39,850	9,542	30,308
<b>Non-Financial assets</b>			
Property, plant and equipment	98,009	-	98,009
Capital work-in-progress	745	-	745
Intangible assets	31,740	-	31,740
Intangible assets under development	14,660	-	14,660
Current tax assets	145,294	145,294	-
Deferred tax assets	83,859	-	83,859
Other non- financial assets	28,727	25,874	2,853
	5,379,595	4,234,778	1,144,817
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and other payables	932,988	929,525	3,463
Borrowings (other than debt security)	1,404,859	1,404,859	-
Deposits	840	840	-
Other financial liabilities	16,938	11,056	5,882
<b>Non-financial Liabilities</b>			
Current tax liabilities	7,045	7,045	-
Provisions	50,703	11,887	38,816
Other non-financial liabilities	73,203	73,203	-
	2,486,576	2,438,415	48,161
<b>Net Assets</b>	<b>2,893,019</b>	<b>1,796,363</b>	<b>1,096,656</b>

#### 45. Fair valuation of financial instruments

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

The carrying value and financial instruments by categories as of March 31, 2023 is as follows:

Particulars	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	122,494	-	-	122,494
Bank balance other than above	2,525,594	-	-	2,525,594
Trade receivables	661,455	-	-	661,455
Loans	23,69,594	-	-	23,69,594
Investments	-	15	45,693	45,708
Other financial assets	40,979	-	-	40,979
<b>Total</b>	<b>5,720,116</b>	<b>15</b>	<b>45,693</b>	<b>5,765,824</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Trade and other payables	1,197,726	-	-	1,197,726
Borrowings (other than Debt security)	1,854,190	-	-	1,854,190
Deposits	840	-	-	840
Other financial liabilities	22,710	-	-	22,710
<b>Total</b>	<b>3,075,466</b>	<b>-</b>	<b>-</b>	<b>3,075,466</b>

The carrying value and financial instruments by categories as of March 31, 2022 is as follows:

Particulars	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	72,754	-	-	72,754
Bank balance other than above	1,924,622	-	-	1,924,622
Trade receivables	877,982	-	-	877,982
Loans	1,961,239	-	-	1,961,239
Investments	-	15	100,098	100,113
Other financial assets	39,850	-	-	39,850
<b>Total</b>	<b>4,876,447</b>	<b>15</b>	<b>100,098</b>	<b>4,976,560</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Trade and other payables	932,988	-	-	932,988
Borrowings (other than Debt security)	1,404,859	-	-	1,404,859
Deposits	840	-	-	840
Other financial liabilities	16,938	-	-	16,938
<b>Total</b>	<b>2,355,625</b>	<b>-</b>	<b>-</b>	<b>2,355,625</b>

### Fair value hierarchy:

Fair value is the price that would be received while selling 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 estimates using a valuation technique.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

The fair value of quoted equity instruments which are designated at fair value as described above has been derived using available market price of the equity instrument on the recognised stock exchange as at reporting dates. Thus, these instruments are valued using Level I hierarchy as stipulated under Ind AS.

### Financial instruments not measured at fair value

Financial assets not measured at fair value include cash and cash equivalents, trade receivables, loans and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL whose carrying amounts approximate fair value, because of their short-term nature.

### 46. Change in liabilities arising from financing activities

Particulars	1 April 2022	Cash flows	Change in fair values	Others	31 March 2023
Borrowings	1,404,859	4,49,331	-	-	1,854,190

Particulars	1 April 2021	Cash flows	Change in fair values	Others	31 March 2022
Borrowings	146,401	1,258,458	-	-	1,404,859

### 47. Revenue from contracts with customers

The Company derives revenue primarily from share broking business. Its other major revenue sources are portfolio management fees and commission received on distribution of third party financial products.

Disaggregate revenue information.

Particulars	As at	
	31 March 23	31 March 2022
Brokerage	249,051	313,352
Fees from retail broking products	1,071	1,648
Commission on distribution of financial products	75,479	49,229
Portfolio Management Fees	42,898	44,758
<b>Total</b>	<b>368,499</b>	<b>408,987</b>

### *Revenue recognition*

- (i) Brokerage income on secondary market transactions including derivative segment is recognised on trade date basis.
- (ii) Brokerage / commission income on distribution of financial products is recognised on receipt of acknowledgement from issuer /registrars, net of sub brokerage / commission paid.



# Standard Chartered Securities (India) Limited

## **Notes to the financial statements (*Continued*)**

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

- (iii) Fees from portfolio management services are recognised on accrual basis in accordance with portfolio management services agreement entered with respective clients.
- (iv) Proposition fees collected for retail broking services is accounted on the basis of utilisation of services for trades done.

### **48. Other Statutory Information:**

During the current year and previous year:

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company does not have any transactions with companies struck off.
- iii. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not traded or invested in Crypto currency or Virtual Currency.
- v. The quarterly statements of current assets submitted to banks / financial institutions which are provided as security against the borrowings are in agreement with the books of accounts.
- vi. Funding Transactions:
  - a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
    - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - b) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - (II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii. The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.
- ix. The provisions of section 2(87) of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable as the Company does not have any subsidiaries.



# Standard Chartered Securities (India) Limited

## **Notes to the financial statements (Continued)**

for the year ended 31 March 2023

(Currency: Indian Rupees in 000's)

- x. The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.
- xi. The Company has not revalued any property plant and equipment and intangible assets.
- xii. No loans have been granted to promoters, related parties and directors that are repayable on demand or without specifying any terms or period of repayment.
49. Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.
50. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
51. The Company has complied with Rule 3 of Companies (Accounts) Rules, 2014 amended on August 5, 2022 relating to maintenance of electronic books of accounts and other relevant books and papers except that the Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode though it is accessible at all times.
52. The financial statements of the Company for the year ended 31st March, 2023 were approved for issue by the Board of Directors at their meeting held on June 30, 2023.
53. The Company's financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest thousands, except when otherwise indicated.
54. There have been no events after the reporting date that require adjustments or disclosure in these financial statements.

As per our report of even date

**For S.R. Batliboi & Co. LLP,**  
*Chartered Accountants*  
Firm's Registration No: 301003E/E300005

**For and on behalf of Board of Directors of**  
**Standard Chartered Securities (India) Limited**



**per Jitendra H. Ranawat**  
*Partner*  
Membership No: 103380



**Zarin Daruwala**  
*Director*  
DIN: 00034655



**Rajeev Ratan Srivastava**  
*Managing Director & CEO*  
DIN: 07053900

30 June 2023  
Mumbai



**Narayanan Raman**  
*COO & CFO*



**Shashikala Vishwakarma**  
*Company Secretary*



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Standard Chartered Securities (India) Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Standard Chartered Securities (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, 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 financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 financial statements.

**Other Information**

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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,

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Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned

# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

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.

## Other Matter

The comparative financial information of the Company for the transition date opening balance sheet as at April 01, 2020 included in these financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2020 dated July 20, 2020 expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to 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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid 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, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (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, 2014, as amended 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 financial statements - Refer Note 36 to the financial statements;

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# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

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- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company;
- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 49(vi)(a) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 49(vi)(b) to the financial statements, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

**For S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 22123596AQFJKK3031

Mumbai

August 29, 2022

# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

**Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date**

## Re: Standard Chartered Securities (India) Limited

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) As disclosed in note 49(v) to the financial statements, the Company has been sanctioned working capital limits in excess of Indian Rupees five crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has provided loans to companies, firms, Limited Liability Partnerships or any other parties as follows:

Particulars	Loans (in '000s)
Aggregate amount granted/ provided during the year	20,430,537
- Others	
Balance outstanding as at balance sheet date in respect of above cases	1,961,239
- Others	

During the year the Company has not provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on these is not applicable.

- (b) During the year, the terms and conditions of the grant of all loans to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

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During the year the Company has not made investments, provided guarantees, given security and granted advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (c) The Company has granted loan during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated. Accordingly, the requirement to report on this is not applicable.

- (d) There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

The Company has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on this is not applicable to the Company.

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to the Company have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases in payment of provident fund. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues applicable to the Company were outstanding, at the year end, for a period of more than six months from the date they became payable. As informed, the provisions of sales tax, duty of customs, duty of excise and value added tax are currently not applicable to the Company.

# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in 000s)	Amount (Rs. in 000s)	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act, 1961	Demand under Section 156 of the Income Tax Act, 1961	Rs. 3,080	Nil	Assessment years 2004-05, 2006-07 and 2008-09	Income Tax Appellate Tribunal, Mumbai
The Finance Act, 1994	Service tax	Rs.12,590	Rs.944*	October 2013 to Sep 2014	Commissioner of GST & Central Excise (Appeals), Mumbai
The Finance Act, 1994	Service tax	Rs.12,287	Nil	October 2013 to Sep 2017	Additional Commissioner of CGST, Mumbai

\*paid under protest

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud/ material fraud by the Company or no fraud or material fraud on the Company has been noticed or reported during the year.

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# S.R. BATLIBOI & Co. LLP

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) As represented by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

(xx)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 35 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 35 to the financial statements.

For **S. R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Rutushtra Patell**

Partner

Membership Number: 123596

UDIN: 22123596AQFJKK3031

Mumbai

August 29, 2022

**Annexure 2 referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date**

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

We have audited the internal financial controls with reference to financial statements of Standard Chartered Securities (India) Limited (the "Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these 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 financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls with reference to these Financial Statements**

A company's internal financial controls with reference to 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 controls with reference to 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

# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

Standard Chartered Securities (India) Limited  
Audit for the year ended March 31, 2022

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 financial statements.

## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on issued by the ICAI.

For **S. R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 301003E/E300005



**per Rutushtra Patell**  
Partner  
Membership Number: 123596  
UDIN: 22123596AQFJJK3031

Mumbai  
August 29, 2022

Standard Chartered Securities (India) Limited  
**Statement of Profit and Loss for the year ended 31 March 2022**  
(Currency: Indian Rupees in 000's)

Particulars	Note	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Revenue from operations</b>			
(i) Fees and commission income	21	4,08,987	2,75,528
(ii) Interest income	22	2,43,682	1,24,347
<b>(I) Total revenue from operations</b>		<b>6,52,669</b>	<b>3,99,875</b>
(II) Other income	23	61,165	79,432
<b>(III) Total income (I + II)</b>		<b>7,13,834</b>	<b>4,79,307</b>
<b>Expenses</b>			
(i) Employee benefits expenses	24	2,05,559	1,71,984
(ii) Other expenses	25	1,59,769	1,47,077
(iv) Depreciation and amortization	26	43,938	27,863
(iii) Finance cost	27	71,495	3,162
(v) Impairment on financial instruments		-385	99
<b>(IV) Total expenses (IV)</b>		<b>4,80,376</b>	<b>3,50,185</b>
<b>(V) Profit/(loss) before tax ( III - IV )</b>		<b>2,33,458</b>	<b>1,29,122</b>
<b>(VI) Tax expense:</b>			
(i) Current tax		39,943	22,546
(ii) Deferred tax (credit) / charge		51,305	16,673
(iii) MAT credit entitlement		-22,739	-1,666
<b>Total tax expenses ( VI )</b>		<b>68,509</b>	<b>37,553</b>
<b>(VII) Profit/(loss) after tax ( V - VI )</b>		<b>1,64,949</b>	<b>91,569</b>
<b>(VIII) Other comprehensive income</b>			
Items that will not be classified to profit or loss			
(i) Actuarial gain / (loss) on post retirement benefit plans		-4,380	-831
(ii) Changes in fair value of equity instrumts at FVOCI		79,916	9,696
(iii) Tax impact on above		-6,669	242
<b>Other comprehensive income ( VIII )</b>		<b>68,867</b>	<b>9,107</b>
<b>(IX) Total comprehensive income for the year ( VII + VIII )</b>		<b>2,33,816</b>	<b>1,00,676</b>
<b>(X) Earning per share ( face value Rs.10 per Equity Share )</b>	29		
Basic ( in Rs )		0.59	0.32
Diluted ( in Rs )		0.59	0.32

The accompanying notes forms an integral part of this financial statements

As per our report of even date  
**For S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm registration number : 301003E/E300005

*R.P.*  
**per Rutushtra Patell**  
Partner  
Membership No.123596



29 August 2022  
Mumbai

For and on behalf of the Board of Directors of  
**STANDARD CHARTERED SECURITIES (INDIA) LIMITED**

*Zarin Daruwala*  
**Zarin Daruwala**  
Director  
DIN : 00034655

*Narayanan Raman*  
**Narayanan Raman**  
COO & CFO

*Rajeev Ratan Srivastava*  
**Rajeev Ratan Srivastava**  
Managing Director & CEO  
DIN : 07053900

*Shashika Vishwakarma*  
**Shashika Vishwakarma**  
Company Secretary

Standard Chartered Securities (India) Limited  
Statement of changes in equity as at 31 March 2022  
(Currency: Indian Rupees in 000's)

1. Equity share capital

Particulars	No of Shares		Rs.	
As at 1 April 2020	28,18,55,702		28,18,557	
Changes in Equity share capital due to prior year errors	-		-	
Change in Equity share capital during the year	-		-	
As at 31 March 2021	28,18,55,702		28,18,557	
Changes in Equity share capital due to prior year errors	-		-	
Change in Equity share capital during the year	-		-	
As at 31 March 2022	28,18,55,702		28,18,557	

2. Other equity

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities premium	Retained earnings	General reserve	Equity instruments designated at FVOCI	
Balance as at 1 April, 2020	20,60,447	-24,56,574	1,25,611	10,486	-2,60,030
Profit after tax	-	91,569	-	-	91,569
Other comprehensive income for the year	-	-589	-	9,696	9,107
Balance as at 31 March, 2021	20,60,447	-23,65,594	1,25,611	20,182	-1,59,354
Balance as at 1 April, 2021	20,60,447	-23,65,594	1,25,611	20,182	-1,59,354
Profit after tax	-	1,64,949	-	-	1,64,949
Other comprehensive income for the year	-	-3,104	-	71,971	68,867
Balance as at 31 March, 2022	20,60,447	-22,03,749	1,25,611	92,153	74,462

The accompanying notes forms an integral part of this financial statements.

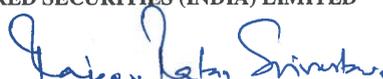
As per our report of even date  
For S.R. Batliboi & Co. LLP  
Chartered Accountants  
ICAI Firm registration number : 301003E/E300005

  
per Rutushtra Patell  
Partner  
Membership No.123596



29 August 2022  
Mumbai

For and on behalf of the Board of Directors of  
STANDARD CHARTERED SECURITIES (INDIA) LIMITED

   
Zarin Daruwala                      Rajeev Ratan Srivastava  
Director                                      Managing Director & CEO  
DIN : 00034655                      DIN : 07053900

   
Narayanan Raman                      Shashikala Vishwakarma  
COO & CFO                                      Company Secretary

Standard Chartered Securities (India) Limited  
Statement of Cash flow as at 31 March 2022  
(Currency: Indian Rupees in 000's)

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A. Cash flow from operating activities</b>		
Profit before tax	233,458	129,122
<b>Adjustments for non-cash and non-operating activities:</b>		
Depreciation and amortisation expense	43,938	27,863
Provisions / (Reversal) for claims	876	864
Provisions and write off - debts	(385)	99
Provisions and write off - others	1,164	158
(Profit)/Loss on sale of PPE	61	530
Interest expense on borrowings	71,495	3,162
Interest income on financial assets	(60,008)	(76,279)
Dividend received	(742)	(601)
<b>Operating profit before working capital changes</b>	<b>56,399</b>	<b>(44,204)</b>
<b>Changes in working capital:</b>		
Decrease / (Increase) in trade receivables	(483,812)	(226,584)
Decrease / (Increase) in Loans	(980,992)	(859,449)
Decrease / (Increase) in other financial assets	629	(1,298)
Decrease / (Increase) in other non financial assets	22,877	(25,976)
Decrease / (Increase) in bank balances other than cash and cash equivalent	(314,989)	525,744
Increase / (Decrease) in financial liabilities and provisions	237,244	408,563
Increase / (Decrease) in provisions	6,785	3,640
Increase / (Decrease) in other non financial liabilities	(3,634)	3,837
	(1,515,892)	(171,523)
<b>Cash generated from (used in) operations</b>	<b>(1,226,035)</b>	<b>(86,605)</b>
Income taxes (paid) / refunds	(40,735)	(23,582)
<b>Net cash generated from / (used in) operating activities</b>	<b>(A) (1,266,770)</b>	<b>(110,187)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and assets under development	(19,969)	(130,453)
Sale of property, plant and equipment	30	176
Dividend Income received	742	601
Interest Income received	60,008	76,279
<b>Net cash generated from / (used in) investing activities</b>	<b>(B) 40,811</b>	<b>(53,397)</b>
<b>C. Cash flow from financing activities</b>		
Interest expense on borrowings	(70,661)	(2,067)
Proceeds from/(repayments) of borrowings from NBFC	1,100,000	-
Proceeds from/(repayments) of borrowings other than debt securities	158,458	146,401
Repayment of lease liabilities including interest	(6,891)	(6,030)
<b>Net cash generated from / (used in) financing activities</b>	<b>(C) 1,180,906</b>	<b>138,304</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>A + B + C (45,053)</b>	<b>(25,280)</b>
Cash and cash equivalents at the beginning of the year	117,807	143,087
<b>Cash and cash equivalents at the end of the year [Note 1 below]</b>	<b>72,754</b>	<b>117,807</b>
<b>Net Increase / (decrease) in cash and cash equivalents during the year</b>	<b>(45,053)</b>	<b>(25,280)</b>



Standard Chartered Securities (India) Limited  
Statement of Cash flow as at 31 March 2022  
(Currency: Indian Rupees in 000's)

**Notes to Cash flow statement:**

**1. Components of cash and cash equivalents: [Refer Note No. 3]**

Balances with bank		
- in current accounts	27,748	1,16,306
Fixed deposits	45,006	1,501
	<u>72,754</u>	<u>1,17,807</u>

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm registration number : 301003E/E300005



**per Rutushtra Patell**  
Partner  
Membership No.123596



29 August 2022  
Mumbai

For and on behalf of the Board of Directors of

**STANDARD CHARTERED SECURITIES (INDIA) LIMITED**



**Zarin Daruwala**  
Director  
DIN : 00034655



**Rajeev Ratan Srivastava**  
Managing Director & CEO  
DIN : 07053900



**Narayanan Raman**  
COO & CFO



**Shashikata Vishwakarma**  
Company Secretary

# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

### 1. Corporate Information

Standard Chartered Securities (India) Ltd. (the “Company”) was incorporated under the Companies Act, 1956 on 28 June 1994. The Company is primarily engaged in broking activity on the National Stock Exchange and Bombay Stock Exchange Ltd, Mumbai. The Company has membership for Cash, Derivatives, Currency Derivatives and Debt Segments. The Company also provides Online Trading, Portfolio Management Services and distributes third party financial products. The Company caters to retail clients through its network of 6 Branches across 6 cities in India. The registered office of the Company is located at 2<sup>nd</sup> Floor, 23-25 M.G. Road, Fort, Mumbai, Maharashtra, India.

### 2. Summary of significant accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standard (“Ind AS”) notified under section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

In accordance with the notification issued by the Ministry of Corporate Affairs, with effect from April 1, 2021, the Company has applied Ind AS. For all periods upto and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (“Indian GAAP” or “Previous GAAP”). These financial statements for the year ended 31 March 2022 are the first the Company has prepared in accordance with Ind AS.

In accordance with Ind AS 101 – “First-time Adoption of Indian Accounting Standards”, the Company has presented a reconciliation from the presentation of the financial statements under Indian GAAP to Ind AS of Shareholders’ equity as at March 31, 2021 and April 1, 2020 being the transition date and of the total comprehensive income for the year ended March 31, 2021.

Accounting policies have been consistently applied except where newly issued accounting standard is adopted during the current year or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### *Presentation of Financial statements*

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to The Companies Act, 2013. The financial statements are presented in Indian Rupees which is also the functional currency of the company. Figures are rounded off to the nearest thousand, except when otherwise indicated.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the Company and/or its counterparties



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

### 2.2 *Use of estimates and judgments*

The preparation of the financial statements in conformity with Ind AS requires that management make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and the income and expense for the reporting period. The actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

### 2.3 *Financial Instruments*

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company recognizes all the financial assets and liabilities at its fair value on initial recognition. In the case of financial assets not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset are added to the fair value on initial recognition. The financial assets are accounted on a trade date basis.

For subsequent measurement, financial assets are categorised into:

- i. **Amortised cost:** The Company classifies the financial assets at amortised cost if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the assets are held under a business model to collect contractual cash flows. The gains and losses resulting from fluctuations in fair value are not recognised for financial assets classified in amortised cost measurement category.
- ii. **Fair value through other comprehensive income (FVOCI):** The Company classifies the financial assets as FVOCI if the contractual cash flows represent solely payments of principal and interest on the principal amount outstanding and the Company's business model is achieved by both collecting contractual cash flow and selling financial assets. In case of equity instruments measured at FVOCI, changes in fair value are recognised in other comprehensive income. The impairment gains or losses, foreign exchange gains or losses and interest calculated using the effective interest method are recognised in profit or loss.
- iii. **Fair value through profit or loss (FVTPL):** Financial assets which are neither held at amortised cost nor held at fair value through other comprehensive income are held at fair value through profit or loss. Financial assets and liabilities held at fair value through profit or loss are either mandatorily classified fair value through profit or loss or irrevocably designated at fair value through profit or loss at initial recognition.

Financial liabilities are classified as either amortised cost or held at fair value through profit or loss. Management determines the classification of its financial assets and liabilities at initial recognition of the instrument or, where applicable, at the time of reclassification.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

### 2.4 Property, Plant and Equipment ("PPE"), Intangible Assets and Depreciation / Amortisation

- (i) PPE is stated at cost less accumulated depreciation and impairments, if any. The cost of PPE comprises purchase price and any attributable costs of bringing the asset to its working condition for its intended use. The Company does not own any property.
- (ii) Advances paid towards the acquisition of PPE outstanding at each Balance Sheet date is classified as capital advances and the cost of assets not put to use before such date are classified as Capital Work-in-progress.
- (iii) Depreciation is provided on a straight-line basis over the estimated useful life of the assets as per the management's internal assessment, subject to maximum useful life prescribed under the Companies Act 2013. The depreciation rates applied for the year ended March 31, 2022 are as follows:

Tangible Assets	Useful life of asset
Computer and data processing – end user devices	3 years
Computer and data processing - servers & networks	5 years
Office Equipment	5 years
Furniture and Fittings	10 years
Plant and Equipment	10 years
Lease hold improvements	Lease period

- (iv) The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial period/year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.
- (v) The carrying amount of an item of PPE is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of PPE is measured as the difference between the net disposal proceeds and carrying amount of the item and is recognized in the statement of Profit and Loss when the item is derecognized. The date of disposal of an item of PPE is the date when the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.
- (vi) An intangible asset is recognized only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company. These costs are amortised over the expected useful lives, but not exceeding the useful life as stated below.

Intangible assets	Useful life of asset
Software	3 years
Stock exchange trading rights BSE Limited, (BSE)	20 years

- (vii) The useful life of the stock exchange trading rights of BSE has been estimated as 20 years considering that BSE is one of the most active exchanges in the country



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

and also since the Company derives a substantial amount of income through brokerage earned on trades through BSE.

- (viii) On disposal of fixed assets, the profit or loss is calculated as the difference between net sale proceeds and the net carrying amount as on the date of sale.
- (ix) The Company assesses at each balance sheet date, or as and when a significant event occurs, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying value, the carrying value is reduced to the recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss for the year. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.
- (x) The residual values, useful lives and methods of amortization are reviewed at each financial year end and adjusted prospectively, if appropriate. Changes in the expected useful life are accounted for by changing the depreciation period or methodology, as appropriate, and treated as changes in accounting estimates.

### 2.5 *Revenue recognition*

Revenue is measured at fair value of the consideration received or receivable. Ind AS 115 – “Revenue from contracts with customers” outlines a single comprehensive model of accounting from revenue arising from contracts with customers.

The company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115:

#### Step 1: Identify contracts with a customer:

A contract is identified as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

#### Step 2: Identify performance obligations in the contract

A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

#### Step 3: Determine the transaction price

The transaction price is the amount of consideration which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

#### Step 4: Allocate the transaction price to the performance obligations in the contract

For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

### Step 5: Recognise the revenue when (or as) the Company satisfies a performance obligation

Revenue from contracts with customers is recognized at a point in time when performance obligation is satisfied.

- (i) Brokerage income on secondary market transactions including derivative segment is recognised on trade date basis.
- (ii) Brokerage / commission income on distribution of financial products is recognised on receipt of acknowledgement from issuer / registrars, net of sub brokerage / commission paid.
- (iii) Fees from portfolio management services are recognised on accrual basis in accordance with portfolio management services agreement entered with respective clients.
- (iv) Proposition fees collected for retail broking services is accounted on the basis of utilisation of services for trades done.
- (v) Dividend is recognised as income as and when the right to receive the same is established.
- (vi) Interest income is recognized using the effective interest rate method (EIR). EIR is calculated by considering all costs and incomes attributable to acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discounts estimated future cash payments / receipts through the expected life of the financial asset/financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.
- (vii) Delayed payment charges (DPC) are recognised as income on an accrual basis only in respect of debtors, which are considered good and recoverable.
- (viii) Other income is accrued as per contractual agreements.

### **2.6 Foreign currency transactions**

Foreign currency transactions are initially recorded in the functional currency at the spot rates of exchange prevailing on the date of the transactions. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss of the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are retranslated into the functional currency at the spot rate of exchange at the reporting date. The exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

### **2.7 Impairment of Trade Receivables**

The Company applies the Ind AS 109 simplified approach for measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on average of historical loss rate adjusted to reflect current and available forward-looking information affecting the ability of the customers to settle the receivables. The Company has also computed expected credit loss due to significant delay in collection.

### 2.8 *Leasing*

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as discount rate.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. Lease liability and the right of use asset have been separately presented in the balance sheet and lease payments have been classified as financing activities.

The rental charges paid for lease agreements that don't qualify as a lease under Ind AS 116 – “Leases” i.e., low value or short term leases are recognised as Rent expenses in the statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

### 2.8. *Retirement Benefits*

#### **Provident fund**

The Company contributes to a recognised provident fund, which is a defined contribution scheme. The contributions are accounted for on an accrual basis and recognised in the statement of profit and loss.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

### Gratuity

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. This benefit is discounted to determine its present value, and the fair value of plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement, and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date.

Actuarial gains and losses are recognised in Other Comprehensive income under the statement of profit and loss.

### Leave Encashment

The Company has discontinued the benefits to its employees under the leave encashment pay plan from April 1, 2009. However, provision for benefits under the old employees' retirement leave encashment plan to eligible employees is made on actuarial valuation basis as per the provisions of Ind AS 19 – Employee Benefits.

### 2.9. Termination Benefits

Termination benefits are recognised as an expense when, as a result of past events, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

### 2.10. Provisions and Contingencies

The Company recognises a provision when there is a present obligation as a result of past events that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Provisions and subsequent write off of doubtful receivables are made as per management's periodic assessment of the degree of impairment across its products.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements *(Continued)*

for the year ended 31 March 2022

### 2.11 *Income Taxes*

Income tax expense comprises current tax (i.e. amount of tax for the period, determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax expense is recognised on an annual basis under the taxes payable method, based on the estimated tax liability computed after taking credit for allowances and exemption in accordance with the Income Tax Act, 1961. In case of matters under appeal due to disallowance or otherwise, provision is made when the said liabilities are accepted by the Company.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets (DTA) are recognised only to the extent it is probable that assets can be realised in future. DTA on unabsorbed depreciation and carried forward loss under taxation laws are recognised only to the extent it is probable that sufficient future taxable income will be available against which such DTA can be realised. DTA are reviewed at each balance sheet date and written down or written up to reflect the amount that can be probably realised.

### 2.12 *Earning Per Share (EPS)*

The basic EPS is computed by dividing the net profit or loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting year. Number of equity shares used in computing diluted EPS comprises of the weighted average number of shares considered for deriving basic EPS and also weighted average number of equity shares, which would have been issued on the conversion of all dilutive potential shares. In computing diluted EPS only potential equity shares that are dilutive are included.

### 2.13 *Cash and cash equivalents*

Cash and cash equivalents includes cash at banks in current accounts and demand deposits with banks.

### 2.14 *Impairments of Non-Financial assets*

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. An asset is impaired when the carrying amount of the asset exceeds its recoverable amount. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

### 2.15 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### 2.16 Borrowing costs

Expenses related to borrowing cost are accounted using effective interest rate method (EIR). Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### 2.16 Fair value measurements

The Company measures its qualifying financial instruments at fair value on each Balance Sheet date. Fair value is the price that would be received against sale of 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 in the accessible principal market or the most advantageous accessible market as applicable.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels within a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). These are based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (*Continued*)

for the year ended 31 March 2022

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

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.

### 2.17 Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1 April, 2022, as below:

Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1 April, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after 01 April, 2022, although early adoption is permitted. The Company has evaluated the amendment there is no impact on its financial statements.



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31 March 2022 (Continued)

(Currency: Indian Rupees in 000's)

3 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Balances with banks			
- in current accounts	27,748	116,306	92,443
- Fixed deposits with original maturity of less than three months	45,000	1,500	46,000
- Interest accrued on fixed deposits	6	1	4,644
<b>Total</b>	<b>72,754</b>	<b>117,807</b>	<b>143,087</b>

4 Bank balance other than cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Fixed deposits with banks (with remaining maturity of more than 3 months)	1,045,157	739,837	1,193,912
- Fixed deposits held as margin money with original maturity of less than three months*	-	-	99,500
Fixed deposits held as margin money (with remaining maturity of more than 3 months) *	826,175	787,675	788,675
Interest accrued on fixed deposits **	53,290	82,121	53,290
<b>Total</b>	<b>1,924,622</b>	<b>1,609,633</b>	<b>2,135,377</b>

\* Fixed deposits under lien with stock exchange amounted to Rs.771,175 ( March 31, 2021 : Rs.787,675 ), kept as collateral security towards bank guarantees issued amounted to Rs.55,000 ( March 31, 2021 : Rs.NIL), kept as collateral security against bank overdraft facility amounted to Rs.1,043,480 ( March 31, 2021 Rs.697,800) and unencumbered Rs.1,677 ( March 31, 2021 : Rs.42,037 )

\*\* Interest accrued on fixed deposits under lien with stock exchange, kept as collateral security towards bank guarantees issued, kept as collateral security against bank overdraft facility amounted to Rs.53,279 (March 31, 2021 : Rs.79,731 and unencumbered Rs.11 (March 31, 2021 : Rs.2,390).

5 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Receivables considered good - unsecured	877,982	393,785	167,300
Receivables considered doubtful	232	672	573
Less: Impairment loss allowance	(232)	(672)	(573)
<b>Total</b>	<b>877,982</b>	<b>393,785</b>	<b>167,300</b>

No trade receivables are due from directors or other officers 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

Ageing schedule as at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	877,982	-	-	-	-	877,982

Ageing schedule as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	393,785	-	-	-	-	393,785

Ageing schedule as at April 1, 2020

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - considered good	167,300	-	-	-	-	167,300



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31 March 2022 (Continued)

(Currency: Indian Rupees in 000's)

6 Loans

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
<b>(A) measured at amortized cost</b>			
Margin trade funding (MTF)	1,961,239	980,247	120,798
Less: Impairment loss allowance	-	-	-
<b>Total ( A ) Net</b>	<b>1,961,239</b>	<b>980,247</b>	<b>120,798</b>
<b>(B) Secured / Unsecured</b>			
Loans secured by securities / shares	1,961,239	980,247	120,798
Unsecured	-	-	-
Less: Impairment loss allowance	-	-	-
<b>Total ( B ) Net</b>	<b>1,961,239</b>	<b>980,247</b>	<b>120,798</b>
<b>(C) Loans in India</b>			
Others	1,961,239	980,247	120,798
Public Sector	-	-	-
Less: Impairment loss allowance	-	-	-
<b>Total ( C ) Net</b>	<b>1,961,239</b>	<b>980,247</b>	<b>120,798</b>
<b>Stage wise break up of loans</b>			
(i) Low credit risk ( Stage 1 )	1,961,239	980,247	120,798
(ii) Significant increase in credit risk (Stage 2)	-	-	-
(iii) Credit impaired (Stage 3)	-	-	-
<b>Total</b>	<b>1,961,239</b>	<b>980,247</b>	<b>120,798</b>

Loan balances are presented net of cash collateral.

7 Investments

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
<b>Investments in equity instruments at fair value through profit and loss (Unquoted)</b>			
Ahmedabad Stock Exchange Limited - 21,000 (Previous year: 21,000) Equity shares of face value of Rs 1/- each	10	10	10
<b>Investments in equity instruments designated at fair value through other comprehensive income (Quoted)</b>			
BSE Limited - 106,041 (Previous year: 35,347) Equity shares of face value of Rs 2/- each	100,103	20,187	10,491
	100,113	20,197	10,501
Less: Impairment loss allowance	-	-	-
<b>Total investments</b>	<b>100,113</b>	<b>20,197</b>	<b>10,501</b>
Investments in India	100,113	20,197	10,501
Investments outside India	-	-	-

8 Other financial assets (Unsecured, considered good)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
<b>At amortized cost</b>			
Deposits with stock exchanges	25,413	25,413	25,434
Other deposits (premises and utilities)	4,794	5,117	5,554
Recoverable from related parties	6,193	6,725	4,580
Other recoverable	3,450	3,224	3,613
<b>Total (Gross)</b>	<b>39,850</b>	<b>40,479</b>	<b>39,181</b>
Less: Impairment loss allowance	-	-	-
<b>Total</b>	<b>39,850</b>	<b>40,479</b>	<b>39,181</b>



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31 March 2022 (Continued)  
(Currency: Indian Rupees in 000's)

9 Property, plant and equipment

(Currency : Indian rupees in '000's)

Description	Gross block at cost			Depreciation/Amortisation			Net block	
	As at 1 April 2021	For the year Additions	Deletions 31 March 2022	As at 1 April 2021	For the year Additions	Deletions 31 March 2022	As at 31 March 2022	As at 31 March 2021
<b>Property, plant and equipment</b>								
<b>Owned assets</b>								
Computer and data processing – end user devices	22,782	1,979	-	15,756	3,464	-	5,541	7,026
Computer and data processing – servers & networks	64,096	90,610	-	62,228	15,253	-	77,481	1,868
Furniture and fittings	3,800	-	-	3,415	182	-	203	385
Office equipments	19,522	360	206	13,000	2,303	206	4,579	6,522
Plant and equipments	1,604	723	251	1,288	160	161	789	316
<b>Leased assets</b>								
Premises (Right of use)	25,387	1,020	-	10,751	5,984	-	9,672	14,637
<b>Total (A)</b>	<b>137,191</b>	<b>94,692</b>	<b>457</b>	<b>106,438</b>	<b>27,347</b>	<b>367</b>	<b>98,009</b>	<b>30,754</b>
<b>Intangible assets</b>								
Computer software	119,901	29,890	-	101,460	16,591	-	31,740	18,441
Stock exchange trading rights	13,250	-	-	13,250	-	-	-	-
<b>Total (B)</b>	<b>133,151</b>	<b>29,890</b>	<b>-</b>	<b>114,710</b>	<b>16,591</b>	<b>-</b>	<b>31,740</b>	<b>18,441</b>
<b>Total (A) + (B)</b>	<b>270,342</b>	<b>124,582</b>	<b>457</b>	<b>221,148</b>	<b>43,938</b>	<b>367</b>	<b>129,749</b>	<b>49,195</b>
<b>Capital work in progress</b>								
Intangible assets under development							745	88,957
							14,660	31,208

Description	Gross block at cost			Depreciation/Amortisation			Net block	
	As at 1 April 2020	For the year Additions	Deletions 31 March 2021	As at 1 April 2020	For the year Additions	Deletions 31 March 2021	As at 31 March 2021	As at 31 March 2020
<b>Property, plant and equipment</b>								
<b>Owned assets</b>								
Computer and data processing – end user devices	20,540	2,349	107	11,886	3,896	26	7,026	8,654
Computer and data processing – servers & networks	64,096	-	-	59,447	2,781	-	1,868	4,649
Furniture and fittings	7,483	-	3,683	7,184	(657)	3,112	385	299
Office equipments	17,885	1,814	177	11,130	2,047	177	6,522	6,755
Plant and equipments	2,015	-	411	747	898	357	316	1,268
<b>Leased assets</b>								
Premises (Right of use)	17,287	8,100	-	5,498	5,252	-	14,637	11,789
<b>Total (A)</b>	<b>129,306</b>	<b>12,263</b>	<b>4,378</b>	<b>95,892</b>	<b>14,217</b>	<b>3,672</b>	<b>30,754</b>	<b>33,414</b>
<b>Intangible assets</b>								
Computer software	109,389	10,513	1	87,814	13,646	-	18,441	21,575
Stock exchange trading rights	13,250	-	-	13,250	-	-	-	-
<b>Total (B)</b>	<b>122,639</b>	<b>10,513</b>	<b>1</b>	<b>101,064</b>	<b>13,646</b>	<b>-</b>	<b>18,441</b>	<b>21,575</b>
<b>Total (A) + (B)</b>	<b>251,945</b>	<b>22,776</b>	<b>4,379</b>	<b>196,956</b>	<b>27,863</b>	<b>3,672</b>	<b>49,195</b>	<b>54,989</b>
<b>Capital work in progress</b>								
Intangible assets under development							88,957	-
							31,208	4,544



Standard Chartered Securities (India) Limited  
 Notes to the financial statements as at 31 March 2022 (Continued)  
 (Currency: Indian Rupees in 000 s)

**Capital work in progress as at March 31, 2022**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	-	745	-	745

**Capital work in progress as at March 31, 2021**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	88,957	-	-	88,957

**Intangible under development as at March 31, 2022**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	11,930	2,730	-	14,660

**Intangible under development as at March 31, 2021**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	27,114	4,094	-	31,208

**Intangible under development as at March 31, 2020**

Particulars	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	4,544	-	-	4,544



Standard Chartered Securities (India) Limited

Notes to the financial statements as at 31 March 2022 (Continued)

(Currency: Indian Rupees in 000's)

10 Current tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Advance income tax (net of provision for tax)	138,250	137,458	136,422
<b>Total</b>	<b>138,250</b>	<b>137,458</b>	<b>136,422</b>

11 Deferred tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
<b>Deferred tax assets (A)</b>			
Deferred tax assets	54,711	104,739	121,170
MAT credit entitlement	37,093	14,354	12,688
<b>Total</b>	<b>91,804</b>	<b>119,093</b>	<b>133,858</b>
<b>Deferred tax liabilities (B)</b>			
Fair value of equity instruments designated through FVTOCI	7,945	-	-
<b>Total</b>	<b>7,945</b>	<b>-</b>	<b>-</b>
<b>Net deferred tax assets (A-B)</b>	<b>83,859</b>	<b>119,093</b>	<b>133,858</b>

Refer note - 44



**Standard Chartered Securities (India) Limited**  
**Notes to the financial statements as at 31 March 2022 (Continued)**  
(Currency: Indian Rupees in 000's)

**12 Other non financial assets**

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Prepaid expenses	13,947	11,999	11,312
Deposit against appeal	944	-	-
Advances to suppliers and others	773	131	241
Indirect tax input credits	13,063	39,474	14,075
<b>Total</b>	<b>28,727</b>	<b>51,604</b>	<b>25,628</b>

**13 Payables**

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
<b>Trade Payables</b>			
(i) Total outstanding dues of micro enterprises and small enterprises	887,397	649,915	234,732
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			
<b>Other Payables</b>			
(i) Total outstanding dues of micro enterprises and small enterprises	288	-	221
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	45,303	42,292	48,248
<b>Total</b>	<b>932,988</b>	<b>692,207</b>	<b>283,201</b>

**Ageing schedule as at March 31, 2022**

Particulars	Outstanding for following periods from due date of payment			
	Less than 6 months	6 months to 1 year	1-2 years	More than 2-3 years 3 years
Payables	18,046	488	1,196	-
<b>Total</b>	<b>18,046</b>	<b>488</b>	<b>1,196</b>	<b>19,730</b>

There are unbilled dues of Rs. 913,258 which are not disclosed in the above ageing as these are not due.

**Ageing schedule as at March 31, 2021**

Particulars	Outstanding for following periods from due date of payment			
	Less than 6 months	6 months to 1 year	1-2 years	More than 2-3 years 3 years
Payables	452,208	1,893	1,146	-
<b>Total</b>	<b>452,208</b>	<b>1,893</b>	<b>1,146</b>	<b>455,247</b>

There are unbilled dues of Rs.236,960 which are not disclosed in the above ageing as these are not due.

**Ageing schedule as at April 1, 2020**

Particulars	Outstanding for following periods from due date of payment			
	Less than 6 months	6 months to 1 year	1-2 years	More than 2-3 years 3 years
Payables	40,318	3,416	50	-
<b>Total</b>	<b>40,318</b>	<b>3,416</b>	<b>50</b>	<b>43,784</b>

There are unbilled dues of Rs. 239,417 which are not disclosed in the above ageing as these are not due.



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31 March 2022 (Continued)  
(Currency: Indian Rupees in 000's)

14 Borrowings ( other than debt securities )

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
<b>At amortized cost</b>			
<b>Term Loan</b>			
From NBFC : Unsecured (from related party)	1,100,000	-	-
<b>Working capital facilities</b>			
From Banks : Secured by way of a lien on fixed deposit	304,859	146,401	-
<b>Total</b>	<b>1,404,859</b>	<b>146,401</b>	<b>-</b>
Borrowings in India	1,404,859	146,401	-
Borrowings outside India	-	-	-
<b>Total</b>	<b>1,404,859</b>	<b>146,401</b>	<b>-</b>

The rate of interest on above borrowings from NBFC was in the range of 6.75% to 7% (PY: Nil) and from Banks was in the range of 7% to 8%. The borrowings are repayable after a tenure of 12 months and interest is paid on monthly basis.

15 Deposits

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
<b>At amortized cost</b>			
Deposits from intermediaries - Unsecured			
Deposits Others	840	840	840
<b>Total</b>	<b>840</b>	<b>840</b>	<b>840</b>

16 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Lease liability	10,681	15,719	12,553
Employee benefits payable	5,694	4,765	4,366
Other liabilities	563	649	660
<b>Total</b>	<b>16,938</b>	<b>21,133</b>	<b>17,579</b>

17 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
Provision for employee benefits			
- Gratuity ( refer note 39 )	9,946	7,049	4,660
- Compensated absences	9,234	7,809	6,650
- Others	10,253	7,790	7,761
Provision Others	83	83	-
Provision for legal claims	21,187	20,311	19,467
<b>Total</b>	<b>50,703</b>	<b>43,042</b>	<b>38,538</b>

18 Other non financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021	As at 01 April 2020
Statutory dues	27,665	29,108	22,367
Income received in advance	45,538	47,729	50,633
<b>Total</b>	<b>73,203</b>	<b>76,837</b>	<b>73,000</b>



**Standard Chartered Securities (India) Limited**  
**Notes to the financial statements as at 31 March 2022 (Continued)**  
**(Currency: Indian Rupees in 000's)**

**19 Share Capital**

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	Number of Shares	Rs.	Number of Shares	Rs.	Number of Shares	Rs.
(A) Authorized: Equity Shares of Rs.10/- each Preference Shares of Rs.100/- each	295,000,000 2,500,000	2,950,000 250,000	295,000,000 2,500,000	2,950,000 250,000	295,000,000 2,500,000	2,950,000 250,000
	297,500,000	3,200,000	297,500,000	3,200,000	297,500,000	3,200,000
(B) Issued, subscribed and fully paid up Equity Shares of Rs.10/- each	281,855,702	2,818,557	281,855,702	2,818,557	281,855,702	2,818,557
<b>Total Equity Share Capital</b>	<b>281,855,702</b>	<b>2,818,557</b>	<b>281,855,702</b>	<b>2,818,557</b>	<b>281,855,702</b>	<b>2,818,557</b>

**(C) Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	Number of Shares	Rs.	Number of Shares	Rs.	Number of Shares	Rs.
At the beginning of the year	281,855,702	2,818,557	281,855,702	2,818,557	281,855,702	2,818,557
Stock Options exercised under ESOP	-	-	-	-	-	-
<b>At the end of the year</b>	<b>281,855,702</b>	<b>2,818,557</b>	<b>281,855,702</b>	<b>2,818,557</b>	<b>281,855,702</b>	<b>2,818,557</b>

**(D) Terms / rights / restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. There are no restrictions on payment of dividend to equity shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



**Standard Chartered Securities (India) Limited**

**Notes to the financial statements as at 31 March 2022 (Continued)**  
**(Currency: Indian Rupees in 000's)**

**(E) Details of Shareholding more than 5% Shares in Company ( Face value of Rs.10 per share )**

Name of Shareholder	As at 31 March, 2022		As at 31 March, 2021		As at 1 April, 2020	
	No of Shares	% Held	No of Shares	% Held	No of Shares	% Held
Standard Chartered Bank (Mauritius) Limited and its nominees*	281,855,702	100	281,855,702	100	281,855,702	100

\* Standard Chartered Bank (Mauritius) Limited represent the promoters of the Company.

**(F) Shares reserved for issue under employee stock option plans**

No shares were reserved for issue under employee stock options plans as at March 31, 2022, March 31, 2021 and April 1, 2020

**(G) During the preceding five years the Company has not:**

- allotted fully paid up shares without payment being received in cash
- issued fully paid up bonus shares
- bought back shares

**(H) Capital management :**

The Company's objective for capital management is to maximize 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.

In addition to above the Company is required to maintain a minimum networth as prescribed from time to time by the Securities and Exchange Board of India (Stock brokers and sub-brokers) Regulations 1992 and SEBI (Portfolio Managers) Regulation, 2020, as amended. The management ensures that this is complied at all times.



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31 March 2022 (Continued)  
(Currency: Indian Rupees in 000's)

20 Other equity

Particulars	As at 31 March 2022	As at 31 March 2021	As at 1 April 2020
<b>Reserves and surplus</b>			
<b>Securities premium</b>			
Balance at the beginning of the year	2,060,447	2,060,447	2,060,447
Add : Addition during the year	-	-	-
Balance at the end of the year	2,060,447	2,060,447	2,060,447
General reserve	125,611	125,611	125,611
<b>Retained earnings</b>			
Balance at the beginning of the year	(2,365,594)	(2,456,574)	-
Add : Profit / (loss) for the year	164,949	91,569	-
Add: Item of other comprehensive income recognised directly in retained earnings	(3,104)	(589)	-
Balance at the end of the year	(2,203,749)	(2,365,594)	(2,456,574)
<b>Other comprehensive income (fair value of equity investments)</b>			
Balance at the beginning of the year	20,182	10,486	-
Addition during the year	71,971	9,696	10,486
Balance at the end of the year	92,153	20,182	10,486
<b>Total</b>	<b>74,462</b>	<b>(159,354)</b>	<b>(260,030)</b>

**Nature and purpose of reserve**

**a) Securities premium**

Securities Premium reserves is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares, writing off the preliminary expenses in accordance with the provisions of the Companies Act, 2013.

**b) General reserve**

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

**c) Retained earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**d) Other comprehensive income**

Other comprehensive income consist of remeasurement gains/losses on fair valuation of instruments designated at fair value through other comprehensive income.



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31 March 2022 (Continued)  
(Currency: Indian Rupees in 000's)

21 Fees and commission income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Brokerage charges	313,352	213,752
Fees from retail broking products	1,648	880
Commission on distribution of financial products	49,229	30,640
Portfolio management fees	44,758	30,256
<b>Total</b>	<b>408,987</b>	<b>275,528</b>

22 Interest income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>On financial assets measured at amortized cost</b>		
Interest on fixed deposits / cash placed towards base capital with exchanges	51,976	63,343
Interest on margin trading funding (MTF)	187,998	56,361
Delayed payment charges	3,708	4,248
Other interest income	0	395
<b>Total</b>	<b>243,682</b>	<b>124,347</b>

23 Other income

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Dividend received	742	601
Interest on deposits with banks	60,008	76,279
Other interest income	337	7
Others	78	2,545
<b>Total</b>	<b>61,165</b>	<b>79,432</b>

24 Employee benefit expenses

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries and Wages	197,128	164,299
Contributions provident and other funds	5,808	5,750
Gratuity ( refer note 39 )	1,931	1,558
Staff welfare expenses	692	377
<b>Total</b>	<b>205,559</b>	<b>171,984</b>



Standard Chartered Securities (India) Limited  
Notes to the financial statements as at 31 March 2022 (Continued)  
(Currency: Indian Rupees in 000's)

25 Other expenses:

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Repairs and maintenance	47,143	39,530
Rent	31,569	34,227
Legal and professional fees	21,501	8,610
Outsourcing costs	15,169	14,638
Telephone and connectivity	13,517	17,284
Membership and subscription	7,812	6,627
Travelling expenses	5,794	9,731
Auditor's fees and expenses (refer note below) #	2,724	1,713
Postage and courier	2,638	2,194
Donations and contributions	2,511	2,506
Insurance	2,467	2,542
Printing and stationery	1,753	1,186
Shared support costs	1,637	305
Provisions for claims	876	864
Electricity	626	692
Marketing, business promotion and advertising	435	194
Loss on sale of fixed assets including write off (net)	61	530
Provisions and write off - others	1,164	158
Others	372	3,546
<b>Total</b>	<b>159,769</b>	<b>147,077</b>
<b>Particulars</b>	<b>For the year ended 31 March 2022</b>	<b>For the year ended 31 March 2021</b>
a) for audit fees	2,467	1,648
b) for other services including certificates	50	-
c) for reimbursement of expenses	207	65
<b>Total</b>	<b>2,724</b>	<b>1,713</b>

26 Depreciation and amortization

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment	27,347	14,217
Amortization of intangible assets	16,591	13,646
	43,938	27,863

27 Finance Costs

Particulars	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>On Instruments measured at amortized cost</b>		
Bank charges	590	23
Interest on borrowings	44,195	1,676
Interest on borrowings from related parties	25,540	2
Interest others	336	366
Interest on lease liability	834	1,095
<b>Total</b>	<b>71,495</b>	<b>3,162</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### 28 DISCLOSURE PURSUANT TO IND AS 101 "FIRST TIME ADOPTION OF INDIAN ACCOUNTING STANDARDS"

For reporting periods up to and including the year ended March 31, 2021, the Company prepared its financial statements in accordance with Indian GAAP. The Company has prepared its financial statements in accordance with Ind AS prescribed under section 133 of the Act and other accounting principles generally accepted in India and as notified by Ministry of Corporate Affairs with the transition date being April 1, 2020. The impact of transition has been provided in the opening retained earnings and other comprehensive income as at April 1, 2020.

In preparing these financial statements, the Company has opted to avail the choices available for certain transitional provisions with Ind AS 101, 'First time adoption of Indian Accounting Standards', which offers exemption from applying specified Ind AS retrospectively. The most significant of these provisions are in the following areas:

- I. Cost for property, plant and equipment and intangible assets**  
The Company has elected to continue with the carrying value for all of its property, plant and equipment and intangible assets as measured as per the previous GAAP and used that as its deemed cost as at the date of transition.
- II. Classification and measurement of financial assets**  
At the transition date, the Company assessed the conditions for classification of financial assets and accordingly classified its financial assets at either amortized cost, fair value through other comprehensive income or fair value through profit and loss account, as appropriate, under the provisions of Ind AS 109, 'Financial Instruments'.
- III. Estimates**  
An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any differences in accounting policies, if any).

### Reconciliation of total equity, net profit and cash flows between Indian GAAP and Ind AS financial statements

#### A) Reconciliation of shareholder's equity as per Indian GAAP and Ind AS financial statements

Particulars	Note	As at	
		31 March 2021	1 April 2020
Net worth under previous GAAP		2,520,732	2,414,692
Adjustments under Ind AS:			
Gain/(Loss) on fair value of investments	i	20,182	10,486
Net Impact of Ind AS 116 adjustments	iv	(804)	(509)
Deferred tax (including on above adjustments)	ii	119,093	133,858
<b>Total impact on net worth</b>		<b>138,471</b>	<b>143,835</b>
<b>Total shareholders' equity as per Ind AS financial statements (after OCI)</b>		<b>2,659,203</b>	<b>2,558,527</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

B) Reconciliation of total comprehensive income as per Ind AS with profit reported under previous GAAP:

Particulars	Note	As at 31 March 2021
Net profit as per Indian GAAP		106,040
Adjustments on account of:		
Deferred tax	ii	(16,673)
Mat credit entitlement		1,666
Reclassification of net actuarial loss on employee defined benefit obligation to Other Comprehensive Income		831
Net impact of Ind AS 116 adjustments	iv	(295)
<b>Net profit after tax as per Ind AS financial statements</b>		<b>91,569</b>
Reclassification of net actuarial loss on employee defined benefit obligation to Other Comprehensive Income		(831)
Gain/(loss) on fair value of investments	i	9,696
Other comprehensive income (Net of tax)	iii	242
<b>Total comprehensive income as per Ind AS financial statements</b>		<b>100,676</b>

### Reconciliation of Statement of Cash flows

There were no material differences between the statement of cash flows presented under Ind AS and the previous GAAP.

### Notes to the reconciliations:

#### (i) Fair valuation of Investments

Under the previous Indian GAAP, investments in equity instruments, were classified as long-term investments based on intended holding period and realisability. Long-term investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognized in other equity as at the date of transition and subsequently in the statement of profit or loss for the year ended March 31, 2022.

Further, the Company has elected to designate its investments in certain equity instruments at fair value through other comprehensive income as on April 1, 2020.

This has resulted in an increase in other comprehensive income as at April 1, 2020 and March 2021 by Rs.10,486 and Rs. 20,182 respectively and no impact on the retained earnings.

#### (ii) Deferred tax

Indian GAAP required deferred tax assets to be recognised only to the extent that there is a virtual certainty that such deferred tax assets can be realised in future. And where an enterprise has unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets should be recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Ind AS 12 requires entities to account for a deferred tax asset for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

difference can be utilised. And a deferred tax asset shall be recognised for the carryforward unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The application of Ind AS 12 approach has resulted in recognition of deferred tax assets which were not recognised under previous GAAP.

### (iii) Re-measurement of post-employment benefit obligations

Under Ind AS, re-measurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in the other comprehensive income instead of statement of profit or loss under the previous GAAP.

As a result of this change, the profit for the year ended March 31, 2021 increased by Rs. 589. There is no impact on the total equity.

### (iv) Lease liability and right of use of assets

The Company has applied Ind AS 116 retrospectively with the cumulative effect of initially applying the standard recognised at the date of transition i.e 1<sup>st</sup> April 2020. Under Ind AS 116. Lease liability and a corresponding Right-Of-Use Asset are recognized in the books by discounting the lease rentals using the incremental borrowing rate of the Company

This has resulted in a reduction in the retained earnings by Rs.509 on 1<sup>st</sup> April 2020 and debit in the statement of profit and loss of Rs. 6,347 for the year ended March 31, 2021.

## 29. Earnings per Share

### a) Basic Earnings per share

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

Particulars		As at 31 March 2022	As at 31 March 2021
A	Equity shares outstanding at the beginning of the year (A)	Nos. 28,18,55,702	28,18,55,702
B	Add: Weighted average number of equity shares issued during the year (B)	Nos. -	-
C	Weighted average number of equity shares for basic earnings per share C = (A+B)	Nos. 28,18,55,702	28,18,55,702
D	Net (loss)/profit after tax available for equity shareholders (D)	Rs. 164,949	91,569
E	Basic earnings per share (Nominal value of Rs.10 each) (D/C)	Rs. 0.59	0.32

## 30. SEGMENT INFORMATION

### Primary Segment

The Chief Operating Decision Maker (CODM) monitors the operating results of the business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The operating segment has been identified



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

considering the nature of services, the differing risks and returns, the organization structure and internal financial reporting system. Business segment has been considered as the primary segment for disclosure. The Company operates only in one business segment namely "Broking, Advisory and Financial intermediation Services" comprising of Broking, portfolio management services and Distribution of third-party products.

### 31. Related Parties Disclosures

#### (i) Particulars of Parent / Fellow / Associate Companies

Name of the related party	Nature of relationship
Standard Chartered PLC	Ultimate parent Company
Standard Chartered Bank (Mauritius) Ltd.	Parent
Standard Chartered Bank, India Branches	Branch of Holding Company of the Parent
Standard Chartered Capital Ltd. (Formerly Standard Chartered Investments and Loans (India) Limited)	Fellow Subsidiary
Standard Chartered Bank, Singapore	Branch of Holding Company of the Parent
Standard Chartered Global Business Services Pvt. Ltd.	Fellow Subsidiary
Standard Chartered Bank, UK	Branch of Holding Company of the Parent

#### (ii) Key Management Personnel

Name of the Related Party	Nature of Relationship
Rajeev Srivastava	Managing Director (w.e.f 11 <sup>th</sup> October 2021)
Abinav Trivedi	Managing Director (up to 10 October 2021)

#### (iii) Particulars of Parent / Fellow / Associates Companies

Transactions with Standard Chartered Bank - India branches (SCBI)	Year Ended 31 March 2022	Year Ended 31 March 2021
Secondment charges	5,161	4,367
Rent paid	31,145	33,368
Support Cost Allocation	3,652	2,689
Bank charges	66	20
Interest on overdraft	8	2
Referral fees – expense	245	159
Interest on fixed deposit	3,165	5,197
Brokerage Income	103	7,535
Recharge (NCC services)	2,103	2,434
Other recharges	268	-



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

Transactions with Standard Chartered Bank - India branches (SCBI)	Year Ended 31 March 2022	Year Ended 31 March 2021
Sale of Assets	-	91
Depository charges	-	1
Purchase of foreign currency – USD	382	1,622
Purchase of foreign currency – SGD	-	1,155
Purchase of foreign currency – GBP	3,229	98

Balances with Standard Chartered Bank - India branches (SCBI)	As at 31 March 2022	As at 31 March 2021
Fixed deposit	102,500	100,000
Expenses payable	5,423	11,862
Closing bank balances	27,093	114,481
Interest accrued (but not due) on fixed deposits	668	553
Receivable towards expenses	1,569	1,210

Balances with Standard Chartered Bank (Mauritius) Ltd.	As at 31 March 2022	As at 31 March 2021
Share capital	2,818,557	2,818,557

Transactions with Standard Chartered Capital Ltd (formerly Standard Chartered Investments and Loans (India) Ltd.)	Year Ended 31 March 2022	Year Ended 31 March 2021
Rent Income	1,855	1,854
Brokerage income	54	2
Reimbursement of expenses	-	1
Interest on Term Loan	25,532	-

Balances with Standard Chartered Capital Ltd. (formerly Standard Chartered Investments and Loans (India) Ltd.)	As at 31 March 2022	As at 31 March 2021
Rent Receivable	1,136	530
Rent payable	76	76
Reimbursement of Expense	32	32
Working Capital Term Loan	1,100,000	-



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

Transactions with Standard Chartered Bank – Singapore	Year Ended 31 March 2022	Year Ended 31 March 2021
Market Data Services recharge	913	843
Reimbursement of expenses	-	(219)

Balances with Standard Chartered Bank – Singapore	As at 31 March 2022	As at 31 March 2021
Net Payable towards expenses	1,327	1,434
Receivable towards reimbursements	3,456	4,953

Transactions with Standard Chartered PLC	Year Ended 31 March 2022	Year Ended 31 March 2021
Expenses towards restricted sharesave scheme / supplementary restricted sharesave scheme and sharesave scheme	40	47

Balances with Standard Chartered PLC	As at 31 March 2022	As at 31 March 2021
Payable under the restricted sharesave scheme and sharesave scheme	716	1,055

Transactions with Standard Chartered Global Business Services Pvt. Ltd.	Year Ended 31 March 2022	Year Ended 31 March 2021
Processing Charges	7,170	7,578

Balances with Standard Chartered Global Business Services Pvt. Ltd.	As at 31 March 2022	As at 31 March 2021
Payable towards expenses	1,788	391

Transactions with Standard Chartered Bank, UK	Year Ended 31 March 2022	Year Ended 31 March 2021
Amortisation of Annual Maintenance charges for software license	538	717

### (iv) Particulars of Key Management Personnel

Transactions with Rajeev Srivastava	Year Ended 31 March 2022	Year Ended 31 March 2021
Managing Director remuneration	10,864	-



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

Transactions with Abhinav Trivedi	Year Ended	Year Ended
	31 March 2022	31 March 2021
Managing Director remuneration	7,114	16,075

### 32. Staff Cost and Support Service Charge

Costs (including retirement benefit relating to staff seconded from SCBI) are recovered by SCBI from the Company on a monthly basis. These costs are disclosed in Note 24 and as secondment costs under related party disclosures. The Company also avails from SCBI certain support services (Human Resources, Legal and Property Services) for which SCBI charges the Company based on an identifiable criteria. These costs are included in Note 25 under the head "Shared Support Cost" and as support cost allocation under related party disclosures. The Company also provides services to SCBI towards client care services for its Depository clients for which the Company charges SCBI based on an identifiable criteria. These costs are included in Note 25 under the head "Shared Support Cost" and as Recharge (NCC services) under related party disclosures.

### 33. Outsourcing cost

Standard Chartered Global Business Services Pvt. Ltd. ('SCGBS') provides a wide range of services like finance and accounting services, IT service, HR services, etc. to the Group globally. SCGBS issues monthly invoices whereby the cost is based on the agreed cost per full time employee and cost per transaction in case of accounting operations. Such expenditure is disclosed as Outsourcing Costs under Note 25.

### 34. Foreign Currency Transactions

Particulars	For the year ending	
	31 March 2022	31 March 2021
<b>Expenditure in foreign currency (accrual basis)</b>		
Membership & Subscription	914	843
License fees for use of software	538	1,733
Professional Fees	1,517	913
Restricted share scheme and supplementary restricted share scheme grant	40	47
Software Maintenance	48	46
	<b>3,057</b>	<b>3,582</b>

### 35. STATEMENT OF CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

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) Gross amount required to be spent by the Company during the year is Rs. 2,511 ( Previous Year Rs. 2,506 )



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

b) Details of amount spent:

	In Cash	Yet to be paid	Total
<b>During the year ended 31 March, 2022</b>			
i) Construction / acquisition of any asset			
ii) On purpose other than (i) above	2,511		2,511

	In Cash	Yet to be paid	Total
<b>During the year ended 31 March, 2021</b>			
i) Construction / acquisition of any asset			
ii) On purpose other than (i) above	2,506		2,506

### 36. CONTINGENT LIABILITIES

Sr. No.	Particulars	As at	
		31 March 2022	31 March 2021
1	Claims against the Company not acknowledged as debt (Refer Note 3)	40,121	40,121
2	Income tax demand disputed in appeal	3,080	3,080
3	Service Tax demands	24,877	24,877
	<b>Total</b>	<b>68,078</b>	<b>68,078</b>

Note:

1. Tax liabilities (including interest and penalty) of the Company for the assessment years 2004-05, 2006-07, 2008-09 and 2011-12 and service tax demands for the period October 2013 to September 2017 are pending final outcome of the rectification and appeals filed by the Company. The Company believes that these demands are unsustainable and accordingly, no provisions have been made.
2. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. As at 31 March 2022 and as at 31 March 2021, there are no long term contracts entered by the Company.
3. The Company is involved in other legal proceedings and claims, which have arisen in the ordinary course of business. It does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

### 37. CAPITAL COMMITMENTS

Sr. No.	Particulars	As at	
		31 March 2022	31 March 2021
1	Estimated amounts of contracts remaining to be executed on Capital Account and not provided for ( net of advances )	10,073	12,759



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### 38. EMPLOYEE SHARE BASED PAYMENT PLANS

#### Restricted Share Awards

Restricted share awards are awarded in exceptional circumstances outside of the annual performance process, as additional incentive or retention mechanisms. Such awards are not subject to any performance conditions.

### 39. EMPLOYEE BENEFITS

#### Gratuity

The Company's Gratuity scheme is a defined benefit plan and is managed through a policy obtained from Life Insurance Corporation of India.

The following table summarizes the components of net expenses for gratuity benefits recognized in the statement of profit and loss, other comprehensive income and amount recognized in the balance sheet.

#### a) Movement in defined benefit obligation

Particulars	As at 31 March	
	2022	2021
Present value of obligation as at the beginning	18,174	15,219
Current service cost	1,636	1,416
Interest expense or cost	1,129	955
Remeasurements due to :		
- Actuarial loss /(gain) arising from change in financial assumptions	2,449	1,380
- Actuarial loss /(gain) arising from change in demographic assumptions	-	-
- Actuarial loss /(gain) arising on account of experience changes	520	(391)
Benefits paid	(2,086)	(1,485)
Acquisition adjustment*	(1,727)	1,079
Present value of obligation as at the end	20,094	18,174

\*On account of business combination or intergroup transfer

#### b) Movement in Plan assets

Particulars	As at 31 March	
	2022	2021
Fair value of plan assets as at the beginning of the year	11,125	10,560
Employer contributions	3,412	-
Interest on plan assets	833	813
Return on plan assets, excluding amount recognized in net interest expense	(1,411)	158
Benefits paid	(2,086)	(1,485)
Assets Acquired / (Settled)*	(1,727)	1,079
Fair value of plan assets as at the end of the year	10,146	11,125

\*On account of business combination or intergroup transfer



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### c) Reconciliation of net liability/asset

Particulars	As at 31 March	
	2022	2021
Net defined benefit liability/(asset) as at the beginning of the year	7,049	4,660
Expenses charged to statement of profit and loss	1,931	1,558
Amount recognized in other comprehensive income	4,380	831
Employer contribution	(3,412)	0
<b>Net defined benefit liability/(asset) as at the end of the year</b>	<b>9,948</b>	<b>7,049</b>

### d) Expenses charged to the Statement of Profit & Loss

Particulars	As at 31 March	
	2022	2021
Current Service Cost	1,636	1,416
Net Interest Cost / (Income) on the net defined benefit liability/(Asset)	296	143
<b>Expenses recognized in the income statement</b>	<b>1,931</b>	<b>1,558</b>

### e) Movement in asset ceiling

Particulars	As at 31 March	
	2022	2021
Effect of asset ceiling at the beginning of the year	-	-
Interest on opening balance of asset ceiling	-	-
Remeasurements due to change in surplus/deficit	-	-
<b>Effect of asset ceiling as at the end of the year</b>	<b>-</b>	<b>-</b>

### f) Re measurement (gains)/losses in other comprehensive income

Particulars	As at 31 March	
	2022	2021
Actuarial (gains)/losses		
Opening balance	831	
Change in financial assumptions	2,449	1,380
Change in demographic assumptions	-	-
Experience adjustments	520	(391)
Return on plan assets, excluding amount recognized in net interest expense	1,411	(158)
<b>Components of defined benefit costs recognized in other comprehensive income</b>	<b>5,211</b>	<b>831</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### g) Amount recognized in Balance Sheet

Particulars	As at 31 March	
	2022	2021
Present value of obligation	20,094	18,174
Fair value of plan assets	10,146	11,125
Net financial obligation	9,948	7,049
Net (Asset) / Liability	9,948	7,049

### h) Key actuarial assumptions

Particulars	As at 31 March	
	2022	2021
Discount Rate (p.a.)	6.25%	6.50%
Salary growth rate (p.a.)	8.50%	7.00%

### i) Sensitivity analysis for significant assumptions is as shown below

Particulars	As at	
	31 March 2022	
	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 25 bps	19,668	20,470
impact of increase in 25 bps on DBO	-2.12%	-1.87%
Defined benefit obligation on decrease in 25 bps	20,535	19,728
impact of decrease in 25 bps on DBO	2.19%	-1.82%

### j) Projected plan cash flow:

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

Particulars	As at
	31 March 2022
<b>Maturity Profile</b>	
Expected benefit for 1 year	1,521
Expected benefit for 2 to 5 years	7,043
Expected benefit for 6 to 9 years	6,909
Expected benefit for more than 10 years	22,385

The weighted average duration to the payment of these cash flows is 8.62 years.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### 40. LEASE

The Company has entered into lease contracts for various properties across India for its office premises used in its operations. There are no variable lease payments, residual agreements, sale and leaseback arrangements and other restrictions. For short-leases, the Company has recorded rental expense of Rs. 31,569 (Previous year: Rs.34,227) in the Statement of profit and loss.

Set out below are the carrying amount of right-of-use assets recognized and movement during the year.

Particulars	Amount
Carrying amount of asset as at 1st April, 2020 (restated)	11,789
Additions	8,100
Depreciation expense	(5,252)
<b>Balance as at 31 March, 2021</b>	<b>14,637</b>
Additions	1,020
Closure	0
Depreciation expense	(5,984)
<b>Balance as at 31 March, 2022</b>	<b>9,673</b>

Set out are the carrying amount of lease liabilities and movement during the year :

Particulars	For the year ending	
	31 March 2022	31 March 2021
		Restated
As at 1 April	15,719	12,553
Additions	1,020	8,100
Accretion of interest	834	1,095
Closure		
Payments	(6,892)	(6,029)
<b>Balance as at 31 March, 2022</b>	<b>10,681</b>	<b>15,719</b>
Current	5,374	3,167
Non Current	5,307	12,552

The maturity of lease liabilities is disclosed in Note 45.

The effective interest rate of lease liabilities is 6.29% with maturities between one to three years.

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis is as follows:

Particulars	As at
	31 March 2022
Up to one year	5,859
One to five years	5,846
More than five years	393
<b>Total</b>	<b>12,098</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

The following are the amounts recognized in statement of profit or loss.

Particulars	For the year ending	
	31 March 2022	31 March 2021
		Restated
Depreciation expense right of use of assets	5,984	5,252
Interest expense on lease liabilities	834	1,095
<b>Total Amount recognized in statement of profit and loss account</b>	<b>6,818</b>	<b>6,347</b>

### 41. Assets pledged as security

The carrying amounts of assets pledged as security for borrowings are

Particulars	As at		
	31 March 2022	31 March 2021	1 April 2020
<b>Financial Asset</b>			
Fixed Deposits pledged against OD facility	1,043,480	975,900	-
Fixed Deposits pledged against Bank Guarantee	55,000	-	-

Fixed Deposits are pledged with bank for overdraft facilities sanctioned and Bank Guarantees availed.

Further, the Company has hypothecated its receivables from broking clients to avail cash credit facility from bank. However, there are no outstanding cash credits against these receivables as at 31<sup>st</sup> March 2022.

Shares (i) received from clients as collateral for margins/ security deposits, (ii) of clients, withheld against their outstanding balances, are held by the Company in its own name in a fiduciary capacity.

### 42. Financial Risk Management

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

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

- Credit risk
- Liquidity risk
- Market risk

The risk management system features a 'three lines of defence' approach.

- The first line of defence comprises its operational departments, which assume primary responsibility for their own risks and operate within the limits stipulated in various policies approved by the Board or by committees constituted by the Board.
- The second line of defence comprises specialized departments such as risk management and compliance. They employ specialized methods to identify and assess risks faced by the



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

operational departments and provide them with specialized risk management tools and methods, facilitate and monitor the implementation of effective risk management practices, develop monitoring tools for risk management, internal controls and compliances, report risk related information and promote the adoption of appropriate risk prevention measures.

3. The third line of defence comprise the internal audit and external audit functions. They monitor and conduct periodic evaluations of the risk management, internal controls and compliance activities to ensure the adequacy of risk controls and appropriate risk governance and provide the Board with comprehensive feedback.

a) **Credit risk**

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

The Company's financial assets comprises of cash and bank balances, trade receivables, loans, investments and other financial assets which comprise mainly of deposits and unbilled revenues.

The maximum exposure to credit risk at the reporting date is primarily from Company's trade receivable and loans.

**Trade receivable:**

The Company applies the Ind AS 109 simplified approaches to measuring expected credit losses (ECLs) for trade receivables and 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.

For broking debtors, any outstanding amounts exceeding 30 days is considered for impairment provisioning. For other receivables, any outstanding amounts exceeding 90 days post the due date is considered for impairment provisioning.

Trade receivable of the Company are of short duration with credit period ranging up to maximum 90 days. In case of delay in collection, the Company has right to charge interest (commonly referred as delayed payment charges) on overdue amount of broking debtors for the overdue period.

There is no historical loss incurred in respect of Receivable from exchange. Entire exposure/receivable as at each reporting period is received and settled within 2 days from reporting period. Therefore, no ECL is recognised in respect of receivable from exchange.

Particulars	As at		
	31 March 2022	31 March 2021	1 April 2020
Trade and other receivables (net of impairment)	8,77,982	3,93,785	1,67,300
Loan (net of impairment)	1,961,239	9,80,247	1,20,798

**Loans:** Loans comprise of margin trading funding (MTF).

All loans in MTF loan book are considered as good and recoverable as long as there is sufficient coverage of the outstanding loan amount by way of collateral funds or stocks pledged in favour of the Company. Adequate haircuts on stock collateral are applied as per the Credit Risk Policy



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

to ensure coverage of the outstanding loan amount post haircut. Management expects that there will be no credit loss on account of its exposure to loan book.

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The expected credit loss is a product of exposure at default (EAD), probability of default (PD) and Loss given default (LGD). The financial assets have been segmented into three stages based on the risk profiles, primarily based on past due.

Company has a large customer base with shared credit risk characteristics. Margin trading facilities are secured by collaterals. As per policy of the Company, margin trading facilities to the extent covered by collateral and servicing interest on a regular basis is not considered as due/default. Accounts becoming due/default are fully written off as bad debt against respective receivables and the amount of loss is recognised in the Statement of Profit and Loss. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss as bad debts recovered.

As per Ind AS 109, the maximum period to consider when measuring expected credit losses is the maximum contractual period (including extension options) over which the entity is exposed to credit risk and not a longer period, even if that longer period is consistent with business practice. Therefore, the maximum period to consider when measuring expected credit losses for these margin trading facilities is the maximum contractual period (i.e. settlement day).

For the computation of ECL, the against margin trading facilities are classified into three stages as follows:

Following table provides information about exposure to credit risk and ECL on Margin trading facility

Staging as per Ind AS 109	Receivable including interest
Stage 1	0 to 30 days past due
Stage 2	31 to 90 days past due
Stage 3	More than 90 days past due

The Company does not have any margin trading facilities which may fall under stage 2 or stage 3.

ECL is computed as follow assuming that these receivables are fully recalled by the Company at each reporting period.

EAD is considered as receivable including interest (net of write off).

PD is considered at 100% for all receivables being the likelihood that the borrower would not be able to repay in the very short payment period.

LGD is determined based on fair value of collateral held as at the reporting period. Unsecured portion is considered as LGD.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### Collaterals

The Company holds collateral and other credit enhancements against certain of its credit exposures. The following table sets out the principal types of collateral held against different types of financial assets.

Instrument type	Percentage of exposure that is subject to collateral		Principal type of collateral held
	31 March 2022	31 March 2021	
Margin Trading Facility	100 %	100 %	Share and Securities

### Other financial assets considered to have a low credit risk:

Credit risk on cash and cash equivalents is limited as we generally place/invest the amounts in Current Accounts or in Fixed deposits with reputed Scheduled banks. Investments mainly comprise of quoted equity instruments which are market tradeable. Other financial assets include deposits for assets acquired on lease and with qualified clearing counterparties and exchanges as per the prescribed statutory norms.

### b) Liquidity risk

Liquidity risk is the risk that the entity will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The entity's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to entity's reputation.

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and close out market positions.

With a view to maintaining liquidity with minimal risks the Company invests its surplus funds in fixed deposits with banks. The Company monitors its cash and bank balances regularly to meet its obligations and financial liabilities.

Refer note 45 for analysis of maturities of financial assets and financial liabilities.

### c) Market Risk

Market risk arises when movements in market factors (foreign exchange rates, interest rates, credit spreads and equity prices) impact the Company's income or market value of its portfolios. The Company, in its course of business, is exposed to market risk due to change in equity prices, interest rates and foreign exchange rates. The objective of market risk management is to maintain an acceptable level of market risk exposure while aiming to maximize returns.

#### (i) Equity Price Risk

The Company's exposure to equity price risk arises primarily on account of its margin-based positions of its clients in equity cash and derivative segments. The Company's equity price risk is managed in accordance with its Risk policy.

Management believes that there is no significant Equity Price risk that will have an impact on the Profit and loss account of the Company. The Company holds investments in certain equity



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

instruments. The sensitivity of change in the market price of equity instruments is presented as follows:

Particulars	As At	
	31 March 2022	31 March 2021
Investment in equity instruments		
- Carrying value	100,113	20,197
- 5% price increase	5,006	1,010
- 5% price decrease	(5,006)	(1,010)

### (ii) Interest rate risk

The Company is exposed to Interest rate risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. 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.

The Company's interest rate risk arises from interest bearing deposits with bank and loan given to customers. Such instrument exposes the Company to fair value interest rate risk. Management believes that the interest rate risk attached to these financial assets is not significant due to the nature of these financial assets.

Financial Assets	As At	
	31 March 2022	31 March 2021
Fixed deposits with Banks		
- Carrying value	1,916,332	1,529,012
- 0.5% interest rate increase	9,582	7,645
- 0.5% interest rate decrease	(9,582)	(7,645)
Loans to customers (Margin trading funding)		
- Carrying value	1,961,239	980,247
- 0.5% interest rate increase	9,806	4,901
- 0.5% interest rate decrease	(9,806)	(4,901)

Financial Liabilities	As At	
	31 March 2022	31 March 2021
Working capital		
- Carrying value	304,859	146,401
- 0.5% interest rate increase	1,524	732
- 0.5% interest rate decrease	(1,524)	(732)
Term loan		
- Carrying value	1,100,000	-
- 0.5% interest rate increase	5,500	-
- 0.5% interest rate decrease	(5,500)	-

### (iii) Foreign currency risk

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

Foreign currency risk management



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

In respect of foreign currency transactions, the Company does not hedge the exposures since the management believes that the same is insignificant and will not have a material impact on the Company.

The Company's exposure to foreign currency risk at the end of reporting period is as under:-

### Receivables

Particulars	Currency	As At	
		31 March 2022	31 March 2021
Unhedged Foreign currency exposure	USD	46	68
	INR	3,456	4,953

### Payables

Particulars	Currency	As At	
		31 March 2022	31 March 2021
Unhedged Foreign currency exposure	USD	19	29
	INR	1,441	2,073
	GBP	8	8
	INR	810	804
	SGD	-	8
	INR	-	418

The Company has considered the effect of changes, if any, in both counterparty credit risk and own credit risk while assessing the impact on the financial statements.

Management believes that the Company's foreign currency risk relating to the financial assets and liabilities is not significant considering the quantum of these financial assets.

### 43. Disclosure under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

On the basis of the information and records including confirmations sought from suppliers on registration with specified authority under MSMED the following disclosures are made under the Micro, Small and Medium Enterprises Development Act, ('MSMED') which came into force from October 2, 2006.

Particulars	As at	As at
	31 March 2022	31 March 2021
Number of suppliers registered with competent authorities	17	14
Principal amount remaining unpaid beyond the due date to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid and payments made to the supplier beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for delay in payment (which have been paid but beyond the appointed day during the year) but without adding the interest under this Act	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, till actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act2006.	-	-

The above is based on the information available with the Company, which has been relied upon by the auditors



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### 44. Income Tax

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

Particulars	As at	
	31 March 2022	31 March 2021
Current Income tax	39,943	22,546
Deferred tax	51,305	16,673
Mat credit	(22,739)	(1,666)
<b>Tax expense for the year</b>	<b>68,509</b>	<b>37,553</b>
<b>Amounts recognized in other comprehensive income</b>		
Items that will not be classified to profit or loss		
Actuarial gain/(loss) on defined benefit plans	(4,380)	(831)
Changes in fair value of equity instruments at FVOCI	79,916	9,696
Income tax relating to items that will not be classified to profit or loss	(6,669)	242
<b>Total other comprehensive income</b>	<b>68,867</b>	<b>9,107</b>

B) Reconciliation of tax expenses and the accounting profit for the year is as under: -

Particulars	For the year ended	
	31 March 2022	31 March 2021
Profit before tax	233,458	129,122
Indian statutory income tax rate (%)	29.12%	27.82%
Expected income tax expenses	67,983	35,922
<b>Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses</b>		
Expenses allowable	(21,170)	(5,768)
Fair valuation of investments	-	-
Expenses not deductible	14,963	8,522
Others (IND AS adjustments)	-	(148)
Others deductible items	(365)	(349)
Mat credit entitlement	-	-
Tax relating to set off of earlier year's losses	(44,207)	(17,304)
Tax relating to prior periods	-	5
<b>Total income tax expenses</b>	<b>17,204</b>	<b>20,880</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### C) Deferred tax disclosure

Movement of deferred tax assets and liabilities

Particulars	As at 1 April 2021	Credit/(Charge) in the statement of profit and loss	As at 31 March 2022
Provision for Gratuity	2,053	843	2,896
Depreciation	8,267	(7,099)	1,168
Provision for doubtful debts	196	(129)	67
Provision for claims	5,914	255	6,169
Provision for leave encashment/holiday pay	2,274	415	2,689
Leases as per Ind AS	86	(107)	(21)
Gain – changes in fair value of equity instruments	-	(7,945)	(7,945)
Losses suffered	85,949	(44,207)	41,742
<b>Net deferred tax assets/(liabilities)</b>	<b>104,739</b>	<b>(57,974)</b>	<b>46,765</b>

Particulars	As at 1 April 2020	Credit/(Charge) in the statement of profit and loss	As at 31 March 2021
Provision for gratuity	1,357	696	2,053
Depreciation	7,832	435	8,267
Provision for doubtful debts	167	29	196
Provision for claims	5,669	245	5,914
Provision for leave encashment / holiday pay	1,936	338	2,274
Leases as per Ind AS	148	(62)	86
Losses suffered	104,061	(18,112)	85,949
<b>Net deferred tax assets/(liabilities)</b>	<b>121,170</b>	<b>(16,431)</b>	<b>1,04,739</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

### 45. MATURITY ANALYSIS

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2022		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	72,754	72,754	-
Bank balance other than above	1,924,622	1,142,093	782,529
Trade receivables	877,982	877,982	-
Loans	1,961,239	1,961,239	-
Investments	100,113	-	100,113
Other financial assets	39,850	9,542	30,308
	<b>4,976,560</b>	<b>4,063,610</b>	<b>912,950</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and other payables	932,988	929,525	3,463
Borrowings (other than debt security)	1,404,859	1,404,859	-
Deposits	840	-	840
Other financial liabilities	16,938	11,056	5,882
	<b>2,355,625</b>	<b>2,345,440</b>	<b>10,185</b>
<b>Net Assets</b>	<b>2,620,935</b>	<b>1,718,170</b>	<b>902,765</b>

Particulars	As at March 31, 2021		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	117,807	117,807	-
Bank balance other than above	1,609,633	1,523,322	86,311
Trade receivables	393,785	393,785	-
Loans	980,247	980,247	-
Investments	20,197	-	20,197
Other financial assets	40,479	9,848	30,631
	<b>3,162,148</b>	<b>3,025,009</b>	<b>137,139</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and other payables	692,207	686,504	5,703
Borrowings (other than debt security)	146,401	146,401	-
Deposits	840	-	840
Other financial liabilities	21,133	11,103	10,030
	<b>860,581</b>	<b>844,008</b>	<b>16,573</b>
<b>Net Assets</b>	<b>2,301,567</b>	<b>2,181,001</b>	<b>120,566</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

Particulars	As at 1 April, 2020		
	Total	Within 12 months	After 12 Months
<b>Assets</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	143,087	143,087	-
Bank balance other than above	2,135,377	1,522,375	613,002
Trade receivables	167,300	167,300	-
Loans	120,798	-	120,798
Investments	10,501	-	10,501
Other financial assets	39,181	8,093	31,088
	<b>2,616,244</b>	<b>1,840,855</b>	<b>775,389</b>
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Trade and other payables	283,201	280,811	2,390
Deposits	840	-	840
Other financial liabilities	17,579	8,607	8,972
	<b>301,620</b>	<b>289,418</b>	<b>12,202</b>
<b>Net Assets</b>	<b>2,314,624</b>	<b>1,551,437</b>	<b>763,187</b>

#### 46. Fair valuation of financial instruments

Refer to financial instruments by category table below for the disclosure on carrying value and fair value of financial assets and liabilities. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amount approximate fair value due to short maturity of these instruments.

The carrying value and financial instruments by categories as of March 31, 2022 is as follows:

Particulars	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	72,754	-	-	72,754
Bank balance other than above	1,924,622	-	-	1,924,622
Trade receivables	877,982	-	-	877,982
Loans	1,961,239	-	-	1,961,239
Investments	-	15	100,098	100,113
Other financial assets	39,850	-	-	39,850
<b>Total</b>	<b>4,876,447</b>	<b>15</b>	<b>100,098</b>	<b>4,976,560</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Trade and other payables	932,988	-	-	932,988
Borrowings (other than Debt security)	1,404,859	-	-	1,404,859
Deposits	840	-	-	840
Other financial liabilities	16,938	-	-	16,938
<b>Total</b>	<b>2,355,625</b>	<b>-</b>	<b>-</b>	<b>2,355,625</b>



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

The carrying value and financial instruments by categories as of March 31, 2021 is as follows:

Particulars	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	117,807	-	-	117,807
Bank balance other than above	1,609,633	-	-	1,609,633
Trade receivables	393,785	-	-	393,785
Loans	980,247	-	-	980,247
Investments	-	15	20,182	20,197
Other financial assets	40,479	-	-	40,479
<b>Total</b>	<b>3,141,951</b>	<b>15</b>	<b>20,182</b>	<b>3,162,148</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Trade and other payables	692,207	-	-	692,207
Borrowings (other than Debt security)	146,401	-	-	146,401
Deposits	840	-	-	840
Other financial liabilities	21,133	-	-	21,133
<b>Total</b>	<b>860,581</b>	<b>-</b>	<b>-</b>	<b>860,581</b>

The carrying value and financial instruments by categories as of April 1, 2020 is as follows:

Particulars	Amortised Cost	Fair value through P&L	Fair value through OCI	Total Carrying Value
<b>Assets</b>				
<b>Financial assets</b>				
Cash and cash equivalents	143,087	-	-	143,087
Bank balance other than above	2,135,377	-	-	2,135,377
Trade receivables	167,300	-	-	167,300
Loans	120,798	-	-	120,798
Investments	-	15	10,486	10,501
Other financial assets	39,181	-	-	39,181
<b>Total</b>	<b>2,405,743</b>	<b>15</b>	<b>10,486</b>	<b>2,616,244</b>
<b>Liabilities</b>				
<b>Financial liabilities</b>				
Trade and other payables	283,201	-	-	283,201
Deposits	840	-	-	840
Other financial liabilities	17,579	-	-	17,579
<b>Total</b>	<b>301,620</b>	<b>-</b>	<b>-</b>	<b>301,620</b>

### Fair value hierarchy:

Fair value is the price that would be received while selling 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 estimates using a valuation technique.



# Standard Chartered Securities (India) Limited

## Notes to the financial statements (Continued)

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

The fair value of quoted equity instruments which are designated at fair value as described above has been derived using available market price of the equity instrument on the recognised stock exchange as at reporting dates. Thus, these instruments are valued using Level I hierarchy as stipulated under Ind AS.

### Financial instruments not measured at fair value

Financial assets not measured at fair value include cash and cash equivalents, trade receivables, loans and other financial assets. These are financial assets whose carrying amounts approximate fair value, due to their short-term nature.

Additionally, financial liabilities such as trade payables and other financial liabilities are not measured at FVTPL whose carrying amounts approximate fair value, because of their short-term nature.

### 47. Change in liabilities arising from financing activities

Particulars	1 April 2021	Cash flows	Change in fair values	Others	31 March 2022
Borrowings	146,401	1,258,458	-	-	1,404,859

Particulars	1 April 2020	Cash flows	Change in fair values	Others	31 March 2021
Borrowings	-	146,401	-	-	146,401

### 48. Revenue from contracts with customers

The Company derives revenue primarily from share broking business. Its other major revenue sources are portfolio management fees and commission received on distribution of third party financial products.

Disaggregate revenue information.

Particulars	As at	
	31 March 2022	31 March 2021
Brokerage	313,352	213,752
Fees from retail broking products	1,648	880
Commission on distribution of financial products	49,229	30,640
Portfolio Management Fees	44,758	30,256
<b>Total</b>	<b>408,987</b>	<b>275,528</b>

### Revenue recognition

- (i) Brokerage income on secondary market transactions including derivative segment is recognised on trade date basis.
- (ii) Brokerage / commission income on distribution of financial products is recognised on receipt of acknowledgement from issuer / registrars, net of sub brokerage / commission paid.



# Standard Chartered Securities (India) Limited

## **Notes to the financial statements (Continued)**

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

- (iii) Fees from portfolio management services are recognised on accrual basis in accordance with portfolio management services agreement entered with respective clients.
- (iv) Proposition fees collected for retail broking services is accounted on the basis of utilisation of services for trades done.

### **49. Other Statutory Information:**

During the current year and previous year:

- i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii. The Company does not have any transactions with companies struck off.
- iii. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not traded or invested in Crypto currency or Virtual Currency.
- v. The quarterly statements of current assets submitted to banks / financial institutions which are provided as security against the borrowings are in agreement with the books of accounts.
- vi. Funding Transactions:
  - a) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
    - i. (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - ii. (II) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
  - b) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - (I) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - (II) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- vii. The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- viii. There are no scheme of arrangements which have been filed by the Company under the Act and which have been approved by the competent authority u/s 232 to 237 of the Act.
- ix. The provisions of sec 2(87) read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable as the Company does not have any subsidiaries.



# Standard Chartered Securities (India) Limited

## **Notes to the financial statements (Continued)**

for the year ended 31 March 2022

(Currency: Indian Rupees in 000's)

- x. The Company has not been declared as wilful defaulter by any bank or financial institution or any other lender.
- xi. The Company has not revalued any property plant and equipment and intangible assets.
50. Additional regulatory information required under (WB) (xvi) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is in broking business and not an NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.
51. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
52. The financial statements of the Company for the year ended 31st March, 2022 were approved for issue by the Board of Directors at their meeting held on August 29, 2022.
53. The Company's financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest thousands, except when otherwise indicated.
54. There have been no events after the reporting date that require adjustments or disclosure in these financial statements.

As per our report of even date

**For S.R. Batliboi & Co. LLP,**  
*Chartered Accountants*  
Firm's Registration No: 301003E/E300005

**For and on behalf of Board of Directors of**  
**Standard Chartered Securities (India) Limited**

**per Rutushtra Patell**  
*Partner*  
Membership No: 123596

**Zarin Daruwala**  
*Director*  
DIN: 00034655

**Rajeev Ratan Srivastava**  
*Managing Director & CEO*  
DIN: 07053900

**29 August 2022**  
**Mumbai**

**Narayanan Raman**  
*COO & CFO*

**Shashikala Vishwakarma**  
*Company Secretary*

