

M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

F-11, 3rd floor, Manek Mahal, 90, Veer Nariman Road, Churchgate, Mumbai - 400 020, INDIA.
T : +91 22 6117 4949 F : +91 22 6117 4950 E : info@mlbca.in W : www.mlbca.in

INDEPENDENT AUDITOR'S REPORT

To,
The Members of **BOB CAPITAL MARKETS LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **BOB CAPITAL MARKETS LIMITED** ("the Company"), which comprise of the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information ("the financial statements").

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 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

Management's and Board of Directors' Responsibilities for Financial Statements

The Company's Management and Board of Directors are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

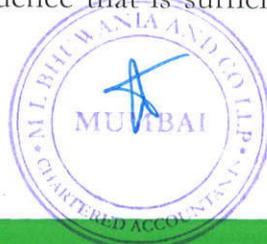
The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

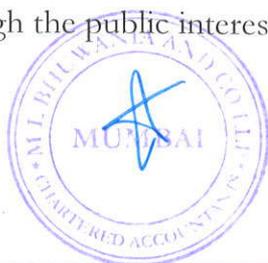
basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal controls 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 an 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 in the financial statements by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Director'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 of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

Emphasis of Matter

Attention is drawn to note no. 34 to the financial statements, which states that the company has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, unbilled revenues, intangibles, investments and other assets / liabilities. Based on the current indicators of economic conditions, the company expects to recover the carrying amount of all its assets. The Management has also assessed and concluded that no material uncertainty exists, which raises a doubt on the company's ability to continue as a going concern in the near future. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to the economic conditions in the future.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

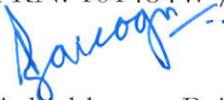
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 and the Statement of Cash Flow dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the Directors as on March 31, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2020 from being appointed as a Director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, please refer to our separate report in "Annexure B"



M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS

- g) With respect to the directions under section 143(5) of the Act, refer to our separate report in “Annexure C”.
- 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 does not have any pending litigations which would impact its financial position read with note no. 32 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 during the year ended March 31, 2020.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W / W100197


Ashishkumar Bairagra
Partner
Membership No. 109931
UDIN: 20109931AAAAAR7372

Place: Mumbai
Date: May 20, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements' in our Report of even date on the accounts of **BOB CAPITAL MARKETS LIMITED** for the year ended March 31, 2020.

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies were noticed between the book records and the physical verification.
- (c) The Company does not have any immovable properties. Accordingly, clause 3(i)(c) of the Order is not applicable to the Company.
- (ii) The Company does not have inventories. Consequently, clause 3(ii) of the Order is not applicable.
- (iii) The Company has not granted loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Hence sub clauses (a) to (c) of clause 3(iii) of the Order are not applicable to the Company.
- (iv) The Company has complied with provisions of Section 186 of the Act in respect of investments made. Section 185 of the Act is not applicable as there were no loans given, securities and guarantees provided during the year covered by Section 185 of the Act.
- (v) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under to the extent notified and therefore clause 3(v) is not applicable.
- (vi) The Central Government has not prescribed maintenance of cost records for the company under sub section (1) of Section 148 of the Act. Accordingly, clause 3(vi) of the Order is not applicable to the Company.



M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS

- (vii) (a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Labour Welfare Fund, Cess, and other statutory dues applicable to it except Goods and Services Tax dues outstanding to the extent of Rs. 16,99,422. Further no undisputed amounts were outstanding as on March, 31, 2020 for a period of more than six months from the date they became payable except Goods and Services Tax dues amounting to Rs. 16,99,422 which has since been paid on May 17, 2020.
- (b) According to the records of the Company, there are no dues of Income Tax, Excise Duty, Custom Duty, Value Added Tax, Service Tax, Labour Welfare Fund and Cess which have not been deposited on account of any dispute.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to banks during the year. The Company has not taken any loan or borrowing from government and financial institutions and has not issued debentures during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and through term loans during the year. Accordingly, clause 3(ix) of the Order is not applicable to the Company.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) In terms of notification no. GSR 463(E) dated June 05, 2015 issued by the Ministry of Company Affairs, the provisions of section 197 of the Act, relating to managerial remuneration are not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with related parties are in compliance with section 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the Company



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the Order is not applicable to the Company.

- (xv) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under Sec 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) of the Order is not applicable to the Company.

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W / W100197

Ashishkumar Bairagra
Partner
Membership No. 109931
UDIN: 20109931AAAAAR7372

Place: Mumbai
Date: May 20, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.



M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **BOB CAPITAL MARKETS LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Director's Responsibilities for Internal Financial Controls

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

Auditors' Responsibilities

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



M L BHUWANIA AND CO LLP

CHARTERED ACCOUNTANTS

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS

Opinion

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

For M L BHUWANIA AND CO LLP
Chartered Accountants
FRN: 101484W / W100197

Ashishkumar Bairagra
Partner
Membership No. 109931
UDIN: 20109931AAAAAR7372

Place: Mumbai
Date: May 20, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.



M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS

ANNEXURE C TO THE INDEPENDENT AUDITORS' REPORT

**REPORT ON DIRECTIONS ISSUED BY COMPTROLLER & AUDITOR
GENERAL OF INDIA UNDER SECTION 143(5) OF COMPANIES ACT, 2013
FOR THE YEAR 2019-20 OF BOB CAPITAL MARKETS LIMITED**

Sr. No.	Areas Examined	Replies
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanation provided to us and based on our review, the company has systems in place to process all the accounting transactions through IT systems and there are no accounting transaction processed outside IT systems.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As per the information and explanation provided to us and based on our verification, there has been no restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan.
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	As per the information provided to us no such funds have been received during the year for any specific scheme.

For M L BHUWANIA AND CO LLP

Chartered Accountants

FRN: 101484W / W100197

Ashishkumar Bairagra

Partner

Membership No. 109931

UDIN: 20109931AAAAAR7372

Place: Mumbai

Date: May 20, 2020

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.



Continuation Sheet.....

BOB Capital Markets Limited

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note No.	As at March 31, 2020 (Amount in Rs.)	As at March 31, 2019 (Amount in Rs.)
EQUITY AND LIABILITIES			
Shareholder's Funds			
(a) Share Capital	3	1,000,000,000	1,000,000,000
(b) Reserves and Surplus	4	529,760,908	537,783,904
Current Liabilities			
(a) Trade Payables	5	19,279,314	15,242,873
(b) Other Current Liabilities	6	55,175,608	25,607,355
(c) Short-Term Provisions	7	2,869,551	739,539
TOTAL		1,607,085,381	1,579,373,671
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipment			
(i) Tangible assets	8	5,650,563	8,380,962
(ii) Intangible assets	8	2,724,736	3,606,112
(iii) Capital work-in-progress	8	244,968	-
(iv) Intangible assets under development	8	555,800	-
(b) Non Current Investments	9	129,678,552	129,678,552
(c) Deferred tax assets	10	24,215,051	19,849,080
(d) Long-term loans and advances	11	559,693,180	545,301,495
(e) Other non-current assets	12	750,770	-
Current Assets			
(a) Trade receivables	13	106,170,546	19,373,820
(b) Cash and Bank Balances	14	495,486,415	606,420,025
(c) Short-term loans and advances	15	202,168,371	161,776,117
(d) Other Current assets	16	79,746,428	84,987,508
TOTAL		1,607,085,381	1,579,373,671
Contingent Liabilities and commitments	17		

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS 1 to 35

The notes referred above form an integral part of the Balance Sheet.

As per our report attached of even date.

FOR M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
FRN: 101484W / W100197


Ashishkumar Bairagra
Partner

Membership No.109931

Place : Mumbai
Date: May 20, 2020

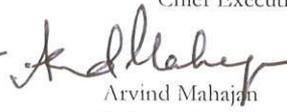
FOR AND ON BEHALF OF THE BOARD

 Sanjay Chadha
Chairman

 Murali Ramaswami
Director

 Ratnesh Kumar
Managing Director and
Chief Executive Officer

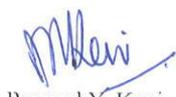
 Rajeshree Sabnavis
Independent Director

 Arvind Mahajan
Independent Director



 Subrat Kumar
Director

 Purshottam
Director

 Pramod Y. Keni
Company Secretary



F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.

BOB Capital Markets Limited

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2020

Particulars	Note No.	Year ended March 31, 2020 (Amount in Rs.)	Year ended March 31, 2019 (Amount in Rs.)
Revenue from operations	18	266,388,179	176,721,352
Other Income	19	89,043,429	119,451,610
Total Revenue		355,431,608	296,172,962
Expenses:			
(a) Employee benefits expense	20	251,525,501	228,864,867
(b) Depreciation & amortization expenses	8	7,256,533	13,955,355
(c) Finance Costs	21	357,100	51,353
(d) Other expenses	22	108,494,063	93,157,105
Total Expenses		367,633,196	336,028,679
Profit /Loss before exceptional items & tax		(12,201,589)	(39,855,718)
Exceptional Items		-	-
Profit /Loss before tax		(12,201,589)	(39,855,718)
Tax expenses:			
(1) Current tax of Earlier years		187,380	-
(2) Deferred tax		(4,365,971)	(10,678,540)
		(4,178,591)	(10,678,540)
Profit /(Loss) for the period		(8,022,998)	(29,177,178)
Earnings per equity share:	23		
(a) Basic		(0.80)	(2.92)
(b) Diluted		(0.80)	(2.92)

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1 to 35

The notes referred above form an integral part of the Statement of Profit and Loss.

As per our report attached of even date.
FOR M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
FRN: 101484W / W100197


Ashishkumar Bairagra
Partner
Membership No.109931

Place : Mumbai
Date: May 20, 2020

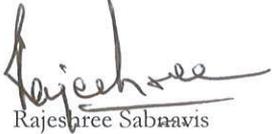


FOR AND ON BEHALF OF THE BOARD


Sanjiv Chadha
Chairman


Murali Ramaswami
Director


Ratnesh Kumar
Managing Director and
Chief Executive Officer

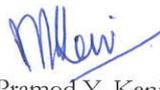

Rajeshree Sabnis
Independent Director


Arvind Mahajan
Independent Director




Subrat Kumar
Director


Purshottam
Director


Pramod Y. Keni
Company Secretary

F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.

BOB Capital Markets Limited

Cash Flow Statement for the year ended 31st March, 2020

(Amount in Rs.)

	Year ended 31st March, 2020	Year ended 31st March, 2019
A Cash Flow from operating activities		
Net Profit before tax	(12,201,589)	(39,855,718)
Adjustments for:		
Interest Income	(84,048,744)	(85,163,897)
Depreciation & Amortisations	7,256,533	13,955,355
Unrealised foreign exchange loss/(gain)	(2,512)	-
Provision no longer required, written back	-	(5,120,640)
Sundry Balances written off	294,439	-
Interest Expenses	357,100	-
Bad Debts written off	48,055	-
Allowance for Bad & Doubtful Debts	315,271	-
Allowance for other doubtful assets	106,887	-
Loss / (gain) on sale of Investments	(3,086,170)	(23,326,457)
Loss / (gain) on sale of fixed assets	-	(77,325)
	(78,759,142)	(99,732,965)
Operating Profit before working capital changes	(90,960,730)	(139,588,682)
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(87,157,540)	7,307,762
Short-term loans and advances	71,890,410	142,571,695
Long-term loans and advances	7,961,815	(259,566,102)
Other current assets	(11,413,261)	(25,498,054)
Other non-current assets	-	4,813,851
	(18,718,577)	(130,370,848)
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	4,036,441	5,737,152
Other current liabilities	29,568,266	-
Short-term provisions	2,130,012	(5,401,815)
	35,734,720	335,337
Cash Generated From Operations	(73,944,588)	(269,624,193)
Less : Income Taxes Paid	(21,950,002)	(21,838,788)
Net Cash Inflow / (Outflow) in Operating activities (A)	(95,894,589)	(291,462,982)
B Cash Flow from Investing activities		
Purchase of Investments	(247,800,000)	(14,620,552)
Sale of investments	250,886,157	23,326,457
Interest Received	99,550,991	85,163,897
Sale/disposal of Fixed Assets	-	497,295
Acquisition of Fixed Assets	(4,445,527)	(6,447,612)
Net Cash Inflow / (Outflow) in Investing activities (B)	98,191,620	87,919,486
C Cash Flow from Financing Activities		
Interest paid	(357,100)	-
Net Cash Inflow / (Outflow) in Financing activities (C)	(357,100)	-
Net Increase / (Decrease) in cash/cash equivalents (A+B+C)	1,939,931	(203,543,496)
Add : Balance at the beginning of the year	93,035,049	296,578,545
Cash / Cash Equivalent at the close of the year	94,974,981	93,035,049

Notes:

(1) Cash and Cash Equivalents includes : (Refer Note No 14)

Cash in Hand	15,017	7,131
Balances with Banks in :		
Current Accounts	94,959,964	93,027,918
	94,974,981	93,035,049

As per our report attached of even date.
FOR M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
 FRN: 101484W / W100197

Ashishkumar Bairagra
 Partner
 Membership No.109931

Place : Mumbai
 Date: May 20, 2020



FOR AND ON BEHALF OF THE BOARD

[Signature]
 Sanjiv Chhadha
 Chairman

[Signature]
 Murali Ramaswami
 Director

[Signature]
 Ratnesh Kumar
 Managing Director and
 Chief Executive Officer

[Signature]
 Rajesh Sabnis
 Independent Director

[Signature]
 Arvind Mahajan
 Independent Director

[Signature]
 Subrat Kumar
 Director

[Signature]
 Purshottam
 Director

[Signature]
 Pramod Y. Keni
 Company Secretary



F- 11, 3rd Floor, Manek Mahal,
 90, Veer Nariman Road, Churchgate,
 Mumbai - 400 020, India.

BOB Capital Markets Limited

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1 Background

BOB Capital Markets Limited (CIN : U65999MH1996GOI098009) is incorporated in India under the Companies Act, 1956 as a public limited company with the Registrar of Companies, Maharashtra in Mumbai on March 11, 1996. The Company is a wholly-owned subsidiary of Bank of Baroda.

The main activities of the Company are relating to -

- (a) Investment Banking - Equity Capital Market Fund Raising Services, i.e. IPO, FPO, Rights Issue, QIP, IPP, etc; Private Equity Syndication;- Capital Market as well as Banks/FIs; SEBI related Advisory Services, i.e. Buyback, Delisting, Open Offer, etc; other Advisory Services, i.e., Financial Appraisals, Techno- Economic Viability Studies, Distress Debt Resolution, Debt Syndication, Valuation, etc.
- (b) Institutional Stock Broking
- (c) Retail Stock Broking
- (d) Wealth Management

The Company has its presence only in Mumbai, in which city its Registered and Corporate Offices are located.

2 Significant Accounting Policies

(A) **Basis Of Preparation Of Financial Statement**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with the generally accepted accounting principles and in compliance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 and other requirements of the Companies Act, 2013 and are in conformity with the statutory provisions, circulars and guidelines issued by various Regulatory Authorities.

(B) **Use Of Estimates**

The preparation of financial statements requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as at the date of financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligations in respect of retirement benefit plans, brokerage income from Mutual Funds etc. Actual results could differ from these estimates.

(C) **Cash And Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and term/fixed deposits investments with banks.



Handwritten signatures and initials in blue ink. On the right, there is a circular stamp of BOB CAPITAL MARKETS LTD. with the text 'MUMBAI' and 'BOB CAPITAL MARKETS LTD.' around the perimeter. Next to it are the initials 'ML' and a signature.

(D) Revenue Recognition

Revenue is recognized based on the nature of activity, when consideration can be reasonably measured and there exists a reasonable certainty of its recovery.

- (i) Income from Investment Banking comprises of revenue from different activities of the organization and includes revenue from Valuation Services, Vetting, Project Appraisal, Debt and Equity Issue Management, Investment Banking Services, Techno-Economic Viability studies, and Lead Arranger Services, debt syndication, debt restructuring and related areas.

The revenue in these cases is recognized on the basis of accrual as and when the amount becomes due on the completion of various stages of the assignment as per the terms and conditions of the Memorandum of Understanding entered into between the Company and the client and after assessing the certainty of its recovery.

- (ii) Income from Broking activities comprises brokerage received on trades executed on the exchanges. The brokerage, net of Stamp Duty, STT Charges, Exchanges Transaction Charges and applicable indirect tax (service tax / GST), is recognized on accrual basis but only after the amount becomes determinable on a reasonable basis.
- (iii) Wealth Management comprises income from advisory and research fees and income from mutual fund distribution. Income from mutual fund distribution comprises brokerage received on distribution of mutual funds and other investment products. The brokerage amount includes both Trail Commission and Upfront Commission. It is recognized on accrual basis but only after the amount becomes determinable on a reasonable basis.
- (iv) Income from Term Deposits being the interest received from Bank in respect of the investment of the surplus funds for a short-term period is recognized on accrual basis.
- (v) Income from Tax-free bonds being the interest received from the entity issuing such instruments in respect of the investment of the surplus funds for a long-term period is recognized on accrual basis.
- (vi) Income from Liquid Mutual Fund is recognized in the period in which the investment is redeemed and realized.

(E) Property, Plant & Equipment and Depreciation / Amortisation

- (i) Property, Plant & Equipment taken over from the holding organization (Bank of Baroda) are recorded at its historical cost less accumulated depreciation/ capitalized as on the date of assets take over and other Property, Plant & Equipmen are stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation.
- (ii) Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.



[Handwritten signature]



[Handwritten signature]

- (iii) Depreciation on fixed asset other than software is provided using the written down value method (WDV) at the rates prescribed in schedule II to the Companies Act, 2013. Depreciation for additions to/deduction from the owned assets is calculated as per the above methodology but on pro rata basis from the month of additions/deductions.
- (iv) Amortization of computer software purchased by the Company is provided on straight-line basis and amortised over a period of 3 years by treating the life of assets as 3 years. (@33.33% per annum).
- (v) Depreciation on Improvement of Assets on Leased Property is provided at the rate of 20% p.a. straight line method which will be written off in a span of 5 years.

(F) Foreign Currency Transaction

- (i) In respect of foreign exchange transaction, the transaction in foreign currency is recorded in rupees by applying the exchange rate prevailing at the time of the transaction. Amount short or excess realised/incurred is transferred to Statement of Profit and Loss.
- (ii) All foreign currency liabilities / assets not covered by forward contracts, are restated at the rates prevailing at the year end and any exchange differences are debited / credited to the Statement of Profit & Loss .

(G) Investments

The Company classifies its investments in accordance with Accounting Standard 13 on 'Accounting for Investment'. Long term investments are carried at cost, after providing for diminution in value, if such diminution is of other than temporary nature. Current investments are carried at lower of cost or market value. The determination of such investments is done on the basis of specific identification.

(H) Employee Benefit

Short Term Employee Benefits

All employee benefits payable wholly within one year of rendering services are classified as short-term employee benefits. Benefits such as salaries, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related service is rendered.

Post-Employment/Retirement Benefits:

The Company provides retirement benefits in the form of Provident Fund and Gratuity. The Company is following the Defined Contribution Plan as mentioned in Accounting Standard 15 on 'Employee Benefits' which requires the payment of a defined sum every month in the prescribed scheme. The contribution paid under the scheme is recognized during the period in which the employee renders the related service.

Gratuity contribution made under the employee Group Gratuity cum Life Insurance Scheme of LIC is charged to revenue.

Contribution to recognized provident fund is charged to revenue.



Handwritten signatures and a circular stamp of BOB CAPITAL MARKETS LTD, MUMBAI.

(I) Borrowing Cost

Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale as per Accounting Standard 16 "Borrowing Cost". All other borrowing costs are charged to revenue.

(J) Leases

- (i) Lease rentals in respect of assets acquired under operating leases are charged off to the Statement of Profit and Loss. Lease rentals in respect of assets given under operating leases are credited to the Statement of Profit & Loss.
- (ii) Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases.
- (iii) Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc., are recognised immediately in the statement of profit and loss.

(K) Earnings Per Share

Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares except where the results would be anti-dilutive. The numbers of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which could have been issued on the conversion of all dilutive potential equity shares. Basic earnings per share is computed by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share amounts are computed after adjusting the effects of all dilutive potential equity shares except where the results would be anti-dilutive.

(L) Provision for Current and Deferred Tax

- (i) Provision for current tax is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.
- (ii) Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between the taxable income and the accounting income that originate in one year and are capable of being reversed in one or more subsequent years.
- (iii) The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.



Handwritten signatures and a circular stamp of BOB CAPITAL MARKETS LTD. The stamp is purple and contains the text "BOB CAPITAL MARKETS LTD." and "MUMBAI". There are two handwritten signatures in blue ink, one above and one below the stamp.

(M) Impairment of Assets

As at each Balance Sheet date, the carrying amount of assets is reviewed for impairment so as to determine:

- (i) the provision for impairment loss required, if any, or
- (ii) the reversal required of impairment loss recognized in previous years, if any.

An asset is treated as impaired when the carrying amount of assets exceeds its recoverable amount.

After impairment, depreciation is provided on revised carrying amount of the asset over its remaining useful life.

Recoverable amount is determined:

- in the case of an individual asset, at higher of the net selling price and the value in use;
- in the case of a cash generating unit (a group of assets that generate identifiable, independent cash flows), at higher of the cash generating unit's net selling price and the value in use.

Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.

The amount so recognized as an impairment loss is charged to Profit and Loss Account in the year in which an asset is identified as impaired.

(N) Provision & Contingent Liability

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

(O) Operation Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.








BOB Capital Markets Limited

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

3 Share Capital

(Amount in Rs.)

Particulars	As at 31.03.2020	As at 31.03.2019
Authorized Share Capital		
10,000,000 Equity Shares of Rs. 100/- par value (Previous Year 10,000,000 Equity Shares of Rs. 100/- par value)	1,000,000,000	1,000,000,000
	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, Subscribed and Fully Paid Up Shares		
10,000,000 Equity Shares of Rs. 100/- par value (Previous Year 10,000,000 Equity Shares of Rs. 100/- par value)	1,000,000,000	1,000,000,000
Total Issued, Subscribed and Fully Paid Up Share Capital	<u>1,000,000,000</u>	<u>1,000,000,000</u>

Note No. 3.1: The reconciliation of the number of shares outstanding at the beginning and at the end of reporting period 31-03-2020 :

Particulars	As at 31.03.2020		As at 31.03.2019	
	No. of Shares	Amount	No. of Shares	Amount
Number of shares at the beginning	10,000,000	1,000,000,000	10,000,000	1,000,000,000
Add: Shares issued during the year	-	-	-	-
Less : Shares bought back (if any)	-	-	-	-
Number of shares at the end	<u>10,000,000</u>	<u>1,000,000,000</u>	<u>10,000,000</u>	<u>1,000,000,000</u>

Note No 3.2: Terms/rights attached to equity shares

(a) The Company has only one class of shares referred to as equity shares having a par value of Rs. 100/- each. Each holder of equity share is entitled to one vote per share.

(b) In the event of liquidation of the company, the holders of equity shares will be entitled to a portion of remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note No 3.3: The details of shareholders holding more than 5% shares in the company:

Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	Equity shares with voting rights	
	As at 31.03.2020	As at 31.03.2019
Number of shares	10,000,000	10,000,000
Bank of Baroda, the holding company	9,999,850	9,999,850
Bank of Baroda, the ultimate holding company	9,999,850	9,999,850
Subsidiaries of the holding company	Nil	Nil
Nominees of the holding company	150	150
Subsidiaries of the ultimate holding company	Nil	Nil
Nominees of the ultimate holding company	150	150



Handwritten signatures and initials in blue ink, including a circular stamp of BOB CAPITAL MARKETS LTD.

BOB Capital Markets Limited

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31.03.2020	As at 31.03.2019
Equity shares with voting rights		
Bank of Baroda		
Number of shares held	9,999,850	9,999,850
% holding in that class of shares	99.9985	99.9985

4 Reserve & Surplus

Particulars	As at 31.03.2020	As at 31.03.2019
General Reserve	41,626,970	41,626,970
Surplus - Opening balance	496,156,934	525,334,111
Add: Net profit after tax transferred from statement of profit & loss	(8,022,998)	(29,177,178)
Amount available for appropriation	<u>529,760,908</u>	<u>537,783,904</u>

5 TRADE PAYABLES

Particulars	As at 31.03.2020	As at 31.03.2019
Dues of micro and small enterprises (Refer Note No 5.1)	245,240	-
Dues other than micro and small enterprises (Refer Note No 5.1)	19,034,074	15,242,873
	<u>19,279,314</u>	<u>15,242,873</u>

The said information and Trade Payables regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

Particulars	As at 31.03.2020	As at 31.03.2019
The principal amount and the interest due thereon remaining unpaid to suppliers	-	-
(i) Principal amount remaining unpaid to any supplier as at the end of each accounting year;	-	-
(ii) Interest due on (1) above remaining unpaid to the supplier as at the end of each accounting year;	-	-
(iii) Interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(v) Interest accrued and remaining unpaid at the end of each accounting year; and	-	-



Handwritten signatures and a circular stamp of BOB CAPITAL MARKETS LTD. with a star in the center.

BOB Capital Markets Limited

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

6 OTHER CURRENT LIABILITIES

Particulars	As at 31.03.2020	As at 31.03.2019
Advances from customers	22,168,495	10,745,056
Other Liabilities		
Statutory dues	24,546,730	9,162,360
Security deposits	591,342	591,342
PC Span Margin	5,143,703	2,668,658
Others Payable	2,725,338	2,439,938
	<u>55,175,608</u>	<u>25,607,355</u>

7 SHORT-TERM PROVISIONS

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for employee benefits:		
- Leave Salary (Refer Note No. 30)	2,869,551	739,539
	<u>2,869,551</u>	<u>739,539</u>








NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

9 NON CURRENT INVESTMENT

(Amounts in Rs.)

Particulars	Face Value	Qty	As at 31.03.2020	Qty	As at 31.03.19
Non Trade Investments (at cost)					
Quoted					
In Tax Free Bonds					
8.16% India Infrastructure Finance Company Ltd.	1,000	50,000	50,000,000	50,000	50,000,000
8.19% Rural Electrification Corporation Ltd.	1,000	50,000	50,000,000	50,000	50,000,000
7.04% Housing & Urban Development Corp. Ltd	1,000	15,058	15,058,000	15,058	15,058,000
Total Value of Quoted Investments (Refer Note No 9.1)		(A)	115,058,000		115,058,000
Unquoted					
Equity Instruments					
Online PSB Loans Limited*	10	112,996	14,620,552	112,996	14,620,552
Total Value of Unquoted Investments		(B)	14,620,552		14,620,552
Total of Non- Current Investments		(A+B)	129,678,552		129,678,552

Note No 9.1

Aggregate market value of Quoted Investments Rs. 12,81,34,844/- (Previous Year Rs. 12,57,40,436/-)

*Formerly known as Capitaworld Platform Private Limited

10 DEFERRED TAX ASSETS

Particulars	As at 31.03.2020	As at 31.03.2019
On account of expenses allowable under Income tax on payment basis	746,083	192,280
On account of difference in depreciation as per books and Income-tax Act, 1961	2,222,266	2,029,864
On account of Allowance for Bad & Doubtful Debts	81,970	-
On account of Allowance for other Doubtful assets	27,791	-
On account of unabsorbed business losses (Refer Note No. 10.1)	21,136,941	17,626,936
	24,215,051	19,849,080

Note No. 10.1

The company has incurred losses in current year & in previous year. The company is reasonably certain about its future profitability and there will be sufficient future taxable income available to realize such losses, hence deferred tax asset has been created.

11 LONG TERM LOANS & ADVANCES

Particulars	As at 31.03.2020	As at 31.03.2019
(Unsecured, Considered Good, unless specified otherwise)		
Deposits with BSE/NSE/Others	489,462,787	498,195,900
Other Loans and Advances		
Advance recoverable in cash or kind for value to be received	837,400	66,102
Advance Tax & Tax Deducted at Source (Net of Provisions)	69,392,993	47,039,493
	559,693,180	545,301,495



ME

BOB Capital Markets Limited

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

12 OTHER NON-CURRENT ASSETS

Particulars	As at 31.03.2020	As at 31.03.2019
(Secured, Considered Goods)		
Others		
Interest accrued on Bank Fixed Deposits (maturity of more than 12 months)	750,770	-
	<u>750,770</u>	<u>-</u>

13 TRADE RECEIVABLES

Particulars	As at 31.03.2020	As at 31.03.2019
(Unsecured)		
Outstanding For a Period exceeding Six Months from the date they are due for payment		
Considered Good	12,885	395,247
Considered Doubtful	315,271	-
	<u>328,156</u>	<u>395,247</u>
	<u>328,156</u>	<u>395,247</u>
Provision for Bad & Doubtful Debts	315,271	-
	<u>12,885</u>	<u>395,247</u>
Others		
Considered Good	106,157,661	18,978,573
	<u>106,170,546</u>	<u>19,373,820</u>

14 CASH & BANK BALANCES

Particulars	As at 31.03.2020	As at 31.03.2019
Cash & Cash Equivalents		
- Cash on Hand	15,017	7,131
Balance with Banks		
- In current accounts (Refer Note No. 14.1)	94,959,964	93,027,918
Other Bank Balances		
- In Bank Fixed Deposits Account less than 12 Months for maturity	400,511,434	513,384,976
	<u>495,486,415</u>	<u>606,420,025</u>

Note No. 14.1

Balance of Flexi Fixed Deposits of Rs. 43,28,403/- (Previous Year: Rs. 4,137/-) are under Lien with Banks.



Handwritten signatures and a circular stamp of BOB CAPITAL MARKETS LTD.

BOB Capital Markets Limited

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2020

15 SHORT TERM LOANS & ADVANCES

Particulars	As at 31.03.2020	As at 31.03.2019
(Unsecured, Considered Good, unless specified otherwise)		
Deposits	600,000	-
Other Loans & Advances		
Advance recoverable in cash or kind for value to be received	4,295,964	2,693,601
Loans and Advances to employees	157,550	134,901
Advance to suppliers and service providers	72,814	914,693
Advance Tax & Tax Deducted at Source (Net of Provisions)	442,044	1,032,922
Short Term Deposits with HDFC Limited	196,600,000	157,000,000
	202,168,371	161,776,117

16 OTHER CURRENT ASSETS

Particulars	As at 31.03.2020	As at 31.03.2019
Advance to Gratuity Fund (Refer Note No. 16.1)	1,492,810	1,521,866
Interest Accrued	44,641,192	60,894,208
Accrued Income	536,850	294,439
Others Receivable	33,182,463	22,276,996
Less: Allowance for other doubtful assets	(106,887)	-
	79,746,428	84,987,508

Note No. 16.1

The amount is net off Gratuity Liability of Rs. 38,28,343 (Previous Year Rs. 38,57,387.)

17 CONTINGENT LIABILITIES & COMMITMENTS

Particulars	As at 31.03.2020	As at 31.03.2019
Contingent Liability (Refer Note No. 32)	-	-
Commitments	-	-
	-	-



M. I. Bhuwania

Ran
An

BOB Capital Markets Limited

Notes forming part of the financial statements as at 31st March 2020

Note 8 : Property, Plant & Equipment

(i) Tangible assets

(Amounts in Rs.)

A Tangible assets	Gross Block			Accumulated depreciation and impairment			Net Block	
	Balance as at 01.04.2019	Additions	Disposals/ Written-off	Balance as at 01.04.2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets during the year	Balance as at 31.03.2020	Balance as at 31.03.2019
(a) Furniture and Fixtures	112,250	46,000	-	78,109	13,439	-	91,548	34,141
(b) Vehicles	2,073,480	-	-	1,224,780	265,050	-	1,489,830	848,700
(c) Office equipment	4,074,883	-	-	1,930,003	966,699	-	2,896,701	2,144,880
(d) Computers & Servers	14,711,582	1,751,859	-	9,358,340	3,283,071	-	12,641,411	5,353,242
TOTAL TANGIBLE ASSETS	20,972,195	1,797,859	-	12,591,232	4,528,258	-	17,119,491	8,380,962

Previous Year

Tangible assets	Gross Block			Accumulated depreciation and impairment			Net Block	
	Balance as at 01.04.2018	Additions	Disposals/ Written-off	Balance as at 01.04.2018	Depreciation / amortisation expense for the year	Eliminated on disposal of assets during the year	Balance as at 31.03.2019	Balance as at 31.03.2018
(a) Furniture and Fixtures	112,250	-	-	66,181	11,928	-	78,109	46,069
(b) Vehicles	2,073,480	-	-	839,366	385,414	-	1,224,780	1,234,114
(c) Office equipment	3,113,383	961,500	-	466,024	1,463,979	-	1,930,003	2,647,359
(d) Computers	12,690,211	3,747,499	1,726,128	5,673,475	5,391,023	1,706,158	9,338,340	7,016,736
TOTAL TANGIBLE ASSETS	17,989,323	4,708,999	1,726,128	7,045,046	7,252,344	1,706,158	12,591,232	10,944,277

(ii) Intangible assets

B Intangible assets	Gross Block			Accumulated depreciation and impairment			Net Block	
	Balance as at 01.04.2019	Additions	Disposals/ Written-off	Balance as at 01.04.2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets during the year	Balance as at 31.03.2020	Balance as at 31.03.2019
Computer software Owned	27,432,840	1,846,900	-	23,826,728	2,728,275	-	26,555,003	3,606,112
TOTAL INTANGIBLE ASSETS	27,432,840	1,846,900	-	23,826,728	2,728,275	-	26,555,003	3,606,112

Notes forming part of the financial statements as at 31st March 2020

Previous Year

B Intangible assets	Gross Block			Accumulated depreciation and impairment			Net Block	
	Balance as at 01.04.2018	Additions	Disposals/ Written-off	Balance as at 31.03.2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets during the year	Balance as at 31.03.2019	Balance as at 31.03.2018
Computer software Owned	26,094,227	1,738,613	400,000	27,432,840	6,703,011	11,320	23,826,728	8,959,190
TOTAL INTANGIBLE ASSETS	26,094,227	1,738,613	400,000	27,432,840	6,703,011	11,320	23,826,728	8,959,190

(iii) Capital work-in-progress

C Capital Work in Progress	Balance as at 01.04.2019	Additions	Capitalised during the year	Balance as at 31.03.2020
Computers & Servers	-	244,968	-	244,968
TOTAL WORK-IN-PROGRESS	-	244,968	-	244,968

(iv) Intangible assets under development

D Intangible assets under development	Balance as at 01.04.2019	Additions	Capitalised during the year	Balance as at 31.03.2020
Computer software	-	555,800	-	555,800
TOTAL WORK-IN-PROGRESS	-	555,800	-	555,800

E Depreciation and amortisation relating to continuing operations:

	For the Year ended on 31.03.2020	For the Year ended on 31.03.2019
Depreciation and amortisation for the year on tangible assets as per Note 8A	4,528,258	7,252,344
Depreciation and amortisation for the year on intangible assets as per Note 8B	2,728,275	6,703,011
Depreciation and amortisation relating to continuing operations	7,256,533	13,955,355

Notes:

(i) Details of amounts written off on reduction of capital or revaluation of assets or sums added to assets on revaluation during the preceding 5 years: NIL

(ii) Details of assets acquired under hire purchase agreements: NIL

(iii) Details of assets jointly owned by the Company: NIL



[Signature]

[Signature]



NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2020

18 REVENUE FROM OPERATIONS

Particulars	2019-2020	2018-2019
Sale of Services (Refer Note No 18.1)		
Professional Fees/Advisory Fees	166,788,409	107,126,750
Other Operating Revenue		
Brokerage Income	62,045,067	54,248,307
Wealth Management Fees & Commission	37,554,703	15,346,295
	266,388,179	176,721,352

Note No. 18.1 : Sale of Services

Particulars	2019-2020	2018-2019
(i) Equity Advisory	70,002,950	11,735,500
(ii) Debt Advisory	96,785,459	95,391,250
	166,788,409	107,126,750

19 Other Income

Particulars	2019-2020	2018-2019
Interest Income (Refer Note No 19.1)	84,048,744	85,163,897
Net gain on sale of investments	3,086,170	23,326,457
Net gain on sale of Fixed Assets	-	77,325
Other Non Operating Income		
Provision no longer required, written back	-	5,120,640
Exchange Fluctuation Gain (Net)	14,306	567,267
Service Charges Received from Secondment	1,892,210	5,196,023
Miscellaneous Income	1,998	-
	89,043,429	119,451,610

Note No. 19.1 : Break-up of Interest Income

Interest from bank deposits	60,510,531	65,098,164
Interest on Deposits with Financial Institutions	13,986,030	10,279,460
Interest from Tax Free Bonds	9,268,576	9,240,423
Other Interest	283,608	545,851
	84,048,744	85,163,897

20 EMPLOYEE BENEFIT EXPENSES

Particulars	2019-2020	2018-2019
Salaries, Wages and Bonus	239,542,449	212,990,718
Contribution to Provident and other fund (Refer Note No. 20.1)	8,882,835	12,524,918
Staff Welfare Expenses	3,100,217	3,349,231
	251,525,501	228,864,867

Note No. 20.1: Includes Rs. Nil for earlier years relating to Gratuity Expenses (Previous Year: Rs. 38,51,849)



Handwritten signatures and a circular stamp of BOB CAPITAL MARKETS LTD. MUMBAI.

NOTES ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2020

21 FINANCE COST

Particulars	2019-2020	2018-2019
Interest Expense on Short Term Bank Borrowing	357,100	51,353
	357,100	51,353

22 OTHER EXPENSES

Particulars	2019-2020	2018-2019
Printing & Stationery	650,874	530,441
Communication Expenses	1,831,741	2,021,491
Rent	36,067,200	36,067,200
Rates & Taxes	484,752	551,603
Repairs & Maintenance - Others	6,317,250	6,837,239
Electricity Expenses	2,152,054	1,905,292
Directors' Sitting Fees	640,000	676,000
Insurance Charges	1,046,123	581,878
Travelling Expenses	5,155,593	4,716,244
Advertisement & Sales Promotion	1,212,769	2,585,108
Periodicals & Subscriptions	2,029,182	2,591,596
Legal & Professional fees	17,239,095	5,725,992
Connectivity, IT & Software charges	16,025,132	15,384,262
Allowance for Bad & Doubtful Debts	315,271	-
Allowance for other doubtful assets	106,887	-
Bad Debts written off	48,055	-
Housekeeping & Security Expenses	12,015,196	7,217,171
Payment to Statutory Auditor (Refer Note No. 22.1)	183,500	135,000
CSR Expenditure	335,228	3,245,619
Royalty	500,000	-
Miscellaneous Expenses (Refer Note No. 22.2)	4,138,162	2,384,968
	108,494,063	93,157,105

Note No. 22.1 : Payment to Statutory Auditor

As Auditor

Audit Fees	85,000	75,000
Tax Audit Fees	60,000	60,000
Other Matters	38,500	-
Towards Goods & Service Tax*	31,230	-
	214,730	135,000

* Note: Out of above Goods & Service Tax credit of Rs. 31,230/- (Previous Year Rs. Nil) has been taken and the same has not been debited to Statement of Profit & Loss.

Note No. 22.2:

Miscellaneous Expenses includes Rs 2,85,552/- (Previous Year - Rs. 2,95,396/-) of Prior Period expenses relating to Connectivity, IT & Software charges.

23 EARNING PER SHARE

Particulars	2019-2020	2018-2019
(A) Profit attributable to Equity Shareholders (Rs.)	(8,022,998)	(29,177,178)
(B) No. of Equity Share outstanding during the year.	10,000,000	10,000,000
(C) Face Value of each Equity Share (Rs.)	100	100
(D) Basic & Diluted earning per Share (Rs.)	(0.80)	(2.92)



Handwritten signatures and initials in blue ink.

24 RELATED PARTY DISCLOSURE:

The Company is a wholly owned subsidiary of Bank of Baroda which is a Central Government Controlled Enterprise. Consequently, the Company and other entities which are subsidiaries of Bank of Baroda will become Central Government controlled enterprises. Para 9 of Accounting Standard 18 issued by Institute of Chartered Accountants of India (ICAI) pertaining to 'Related Party Transactions' exempts the Company from disclosure of relationships and transactions with Central Government controlled enterprises. Therefore, transactions of the Company with Bank of Baroda (Holding Company) and its subsidiaries and other Central Government controlled enterprises are not separately disclosed.

Other Related Parties Disclosures are as under :

(A) LIST OF RELATED PARTIES AND RELATIONSHIPS:

Key Management Personnel

(i) Mr. Ratnesh Kumar	Managing Director
(ii) Mr. Virendra Somwanshi	Whole Time Director (upto 15th October, 2019)
(iii) Mr. Pramod Keni	Company Secretary
(iv) Ms. Punita Sotta	Chief Financial Officer (upto 18th Feb, 2020)

(B) DETAILS OF TRANSACTION WITH RELATED PARTIES

Related parties	Nature of Transactions during the year	2019-20	2018-19
Mr. Ratnesh Kumar	Remuneration paid	14,000,000	14,000,000
	Brokerage income received	-	72
Mr. Virendra Somwanshi	Remuneration paid	5,606,125	9,040,000
	Contribution to Provident Fund	259,355	960,000
	Brokerage income received	-	186
Mr. Pramod Keni	Remuneration paid	1,640,988	1,366,848
	Contribution to Provident Fund	77,653	145,152
Ms. Punita Sotta	Remuneration paid	1,340,420	1,236,000

25 EARNING IN FOREIGN CURRENCY

Particulars	2019-20	2018-19
Professional Fees / Advisory Fees	15,257,383	6,745
	15,257,383	6,745

26 EXPENDITURE IN FOREIGN CURRENCY

Particulars	2019-20	2018-19
Bank Charges	6,288	100
Travelling Expenses	504,515	30,740
Connectivity Charges	28,347	-
	539,150	30,840

27 DERIVATIVES :

UNHEDGED :

The year end Foreign Currency exposures that have not been hedged by a derivative instrument are as under :-

Amount receivable in foreign currency on account of the following :

Particulars	2019-20		2018-19		Foreign Currency
	Amount in Rs.	Amount in Foreign	Amount in Rs.	Amount in Foreign	
Receivables	75,385	1,000	-	-	USD

28 SEGMENT REPORTING :

The Company has identified only one business segment i.e. Merchant Banking & Broking Services in the current financial year. Hence, the guidelines of Segment Reporting are not applicable.

29 ASSETS TAKEN ON LEASE:

The Company's major leasing arrangements are in respect of office premises (including furniture & fittings therein). The aggregate lease rentals of Rs 3,60,67,200 (Previous Year Rs. 3,60,67,200) are charged as Rent and shown under the Note No. 22 "Other Expenses". The total of future minimum lease payment under non-cancellable operating leases for less than 1 year is Rs. 3,98,85,790/- (Previous Year Rs. 3,60,67,200) and 1 to 5 year is Rs. 5,28,09,870 (Previous Year: Rs. 9,26,95,660). The total of future minimum sublease payments expected to be received is Nil (Previous Year - Nil). Total Sub-lease payment received (or receivable) recognized in the statement of profit and loss for the period is Nil (Previous Year - Nil). Contingent (usage based) lease payments recognised in the Profit and Loss Account for the Year is Nil (Previous Year - Nil).



Handwritten signatures and a circular stamp of BOB CAPITAL MARKETS LTD. MUMBAI.

30 EMPLOYEE BENEFITS :

As per Accounting Standard 15 "Employee Benefits", the disclosures of Employee benefits as defined in the said Accounting Standards are given below :

Defined Contribution Plan

The Company's defined contribution plans includes Provident Fund. Contribution to Defined Contribution Plan, recognised as an expense for the year are as under :

Particulars	2019-20	2018-19
Contribution to Provident Fund	8,072,282	7,953,441

Defined Benefit Plan

Gratuity which are defined benefits plan which are accrued based on actuarial valuation as at balance sheet date by an independent actuary. The Company has opted for a Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India (LIC) and Group Gratuity cum Life Assurance Scheme of the IndiaFirst and the contribution is charged to the Statement of Profit & Loss and the related disclosures are as under:

Group Gratuity Scheme	LIC	IndiaFirst	LIC	IndiaFirst
Particulars	2019-20	2019-20	2018-19	2018-19
1.Assumptions				
Discount Rate	6.40%	6.40%	7.50%	7.35%
Salary Escalation	5.00%	5.00%	5.00%	5.00%
2.Table Showing changes in present value of Obligation As on 31/03/2020				
Present value of obligations as at the beginning of year	1,299,110	3,851,849	1,044,497	5,174,120
Interest cost	86,113	335,795	78,337	481,362
Current service cost	92,800	1,591,962	126,627	2,138,454
Benefits Paid	-	(81,023)	(428,579)	(158,677)
Actuarial (gain)/loss on obligations	483,873	(2,095,945)	478,228	(3,783,410)
Present value of obligations as at the end of year	1,961,896	3,602,638	1,299,110	3,851,849
3.Table showing changes in the fair value of plan assets As on 31/03/2020				
Fair value of plan assets at the beginning of year	1,293,572	5,379,251	1,258,780	1,474,217
Expected return on plan assets	97,018	395,375	(69,708)	113,662
Contributions	345,601	-	533,079	3,815,356
Benefits paid	-	(81,023)	(428,579)	(158,677)
Actuarial (gain)/ loss on plan assets	-	(372,450)	-	134,693
Fair value of plan assets at the end of year	1,736,191	5,321,153	1,293,572	5,379,251
4.Table showing fair value of plan assets As on 31/03/2020				
Fair value of plan assets at the beginning of year	1,293,572	5,379,251	1,258,780	1,474,217
Actual return on plan assets	97,018	395,375	(69,708)	248,355
Contributions	345,601	-	533,079	3,815,356
Benefits paid	-	(81,023)	(428,579)	(158,677)
Fair value of plan assets at the end of year	1,736,191	5,321,153	1,293,572	5,379,251
Funded status (Surplus / (Deficit))	(225,705)	1,718,515	(5,538)	1,527,402
5.Actuarial Gain/Loss recognized as on 31/03/2020				
Actuarial (gain)/ loss on obligations	483,873	(2,095,945)	(478,228)	(3,783,410)
Actuarial (gain)/ loss for the year - plan assets	-	(372,450)	-	134,693
Actuarial (gain)/ loss recognized in the year	483,873	(1,723,495)	478,228	(3,918,103)
6.The amounts to be recognized in the balance sheet and statements of profit and loss				
Present value of obligations as at the end of year	1,961,896	3,602,638	1,299,110	3,851,849
Fair value of plan assets as at the end of the year	1,736,191	5,321,153	1,293,572	5,379,251
Funded status - (Surplus)/Deficit	225,705	(1,718,515)	5,538	(1,527,402)
Net asset/(liability) recognized in balance sheet	(225,705)	1,718,515	(5,538)	1,527,402
7.Expenses Recognised in statement of Profit and loss				
Current Service cost	92,800	1,591,962	126,627	2,138,454
Interest Cost	86,113	335,795	78,337	481,362
Expected return on plan assets	(97,018)	(395,375)	69,708	(113,662)
Net Actuarial (gain)/ loss recognized in the year	483,873	(1,723,495)	478,228	(3,918,103)
Expenses recognised in statement of Profit and loss	565,768	(191,113)	752,900	(1,411,949)

Short - term obligations

Liabilities for Salaries and leave salary that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as Short term provisions in the balance sheet.



Handwritten signatures and a circular stamp of BOB CAPITAL MARKETS LTD. with the name 'Rah' inside.

31 Remuneration to the Key Managerial Personnel:

Particulars	Mr. Ratnesh Kumar	Mr. Virendra Somwanshi	Mr. Pramod Keni	Ms. Punita Sotta	Mr. Ratnesh Kumar	Mr. Virendra Somwanshi (upto 15th October, 2019)	Mr. Pramod Keni	Ms. Punita Sotta (upto 18th Feb, 2020)
	2019-20				2018-19			
Salary	14,000,000	5,606,125	1,640,988	1,340,420	14,000,000	9,040,000	1,366,848	1,236,000
Contribution to PF	-	259,355	77,653	-	-	960,000	145,152	-
Total	14,000,000	5,865,480	1,718,641	1,340,420	14,000,000	10,000,000	1,512,000	1,236,000

The Company has incurred loss during the Financial Year 2019-2020. There is no commission payable to the Managing Director or other Directors of the company. Consequently, the computation of profits as required under section 198 of the Companies Act, 2013 does not apply. Further, the MCA Notification dated 5th June, 2015 read together with the MCA Notification dated 12th September, 2016 exempts Government companies from seeking a Central Government approval for professional directors / directors for managerial remuneration in case of inadequacy of profits. Relevant Board and Shareholder approvals for appointment of above-mentioned professional directors are in place.

32 M/s STCI – Standard Chartered Capital Markets Limited (joint merchant banker) filed a case against the Company in the year 2010 as well as the issuer company (SVPCL Limited) for indemnifying the damage of Rs.15,23,49,340/- claimed by SVPCL Limited. The above disputed matter is pending before the Hon'ble High Court, Mumbai. In the opinion of the management this is a frivolous litigation and there would not be any liability on the company and the case, in all probability, would be decided in the company's favour.

33 CURRENT ASSETS, LOANS & ADVANCES, CURRENT LIABILITIES AND PROVISIONS:

In the opinion of the Board of Directors, the Current Assets, Loans and Advances and Current Liabilities are approximately as per the value stated in the Balance Sheet which are realized or repaid in the ordinary course of business.

The management assesses the realizability and periodicity of receivables on a regular basis and provides for the amount considered as doubtful.

Trade Receivables, Trade Payables, Loans and Advances and group balances are subject to confirmation and consequential adjustment, if any.

34 The company has assessed the possible effects that may result from the COVID-19 pandemic on the carrying amounts of receivables, unbilled revenues, intangibles, investments and other assets / liabilities. Based on the current indicators of economic conditions, the company expects to recover the carrying amount of all its assets. The Management has also assessed and concluded that no material uncertainty exists, which raises a doubt on the company's ability to continue as a going concern in the near future. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial statements and the company will continue to closely monitor any material changes to the economic conditions in the future.

35 The previous year figures have been regrouped/reclassified, wherever necessary to confirm to the current presentation.

As per our report attached of even date.
FOR M L BHUWANIA AND CO LLP
CHARTERED ACCOUNTANTS
FRN: 101484W / W100197


Anishkumar Bairagra
Partner

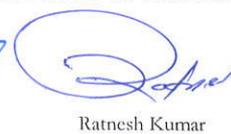
Membership No.109931

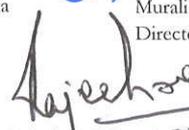
Place : Mumbai
Date: May 20, 2020

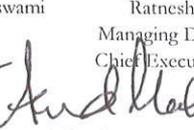
FOR AND ON BEHALF OF THE BOARD


Sanjiv Chadha
Chairman


Murali Ramaswami
Director


Ratnesh Kumar
Managing Director and
Chief Executive Officer


Rajeshree Sabnavis
Independent Director


Arvind Mahajan
Independent Director


Subrat Kumar
Director


Purshottam
Director


Pramod Y. Keni
Company Secretary



F- 11, 3rd Floor, Manek Mahal,
90, Veer Nariman Road, Churchgate,
Mumbai - 400 020, India.

