Standard Chartered Investments and Loans (India) Limited

Annual Report for Financial Year 2019-2020

Standard Chartered

NOTICE

Notice is hereby given that the 17th Annual General Meeting (AGM) of the members of Standard Chartered Investments and Loans (India) Limited ('Company") will be held on Tuesday, September 22, 2020 at 2.30 P.M. at Godavari Meeting Room, Floor no 3A, Crescenzo Building, G Block, C 38/39, Bandra Kurla Complex, Bandra (East), Mumbai - 400051 to transact the following business:

ORDINARY BUSINESS

Item No. 1: Adoption of financial statements

To receive, consider, approve and adopt:

a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon.

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Auditors thereon.

Item No. 2: Appointment of Director

To appoint a Director in place of Mr. Pradeep Iyer (DIN 07352497), who retires by rotation and, being eligible, offers himself for re-appointment.

Item No. 3: Appointment of Director

To appoint a Director in place of Mr. K V Subramanian (DIN 07842700), who retires by rotation and, being eligible, offers himself for re-appointment.

Item No. 4: Appointment of Statutory Auditors of the Company in case of Casual Vacancy

To appoint M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company in case of Casual Vacancy till the conclusion of this AGM and to pass the following ordinary resolution thereof:

"**RESOLVED THAT** pursuant to provisions of Section 139(8), 141 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment (s) thereof for time being in force), based on recommendation of Audit Committee and Board of directors of the Company, consent of the members be and is hereby accorded to appoint M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005) as the Statutory Auditors of the Company to fill the casual vacancy caused by resignation of M/s. Deloitte Haskins & Sells, Chartered Accountants (Firms Registration No. 117365W) who shall hold office till the conclusion of this Annual General Meeting on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of Out of Pocket Expenses incurred by them.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Item No. 5: Appointment of Statutory Auditors of the Company

To appoint M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of this AGM till the conclusion of the AGM to be held in the calendar year 2025 and fix their remuneration and to pass the following ordinary resolution thereof:

"**RESOLVED THAT** pursuant to provisions of Section 139, 141 and 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and all other applicable provisions, if any, (including any statutory modification(s) or re-enactment (s) thereof for time being in force), based on recommendation of Audit Committee and Board of directors of the company, consent of the members be and is hereby accorded for the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/E300005) as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held in the calendar year 2025, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors plus reimbursement of Out of Pocket Expenses incurred by them.

By Order of the Board of Directors,
For Standard Chartered Investments and Loans (India) Limited

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. ★

Saket Maheshwari
Company Secretary
ACS 21823
C-1/2303, Freesia, Neelkanth Greens Manpada, Thane-400610

Registered Office Address:
Standard Chartered Investments and Loans (India) Limited
Floor no. 6, Crescenzo Building, C-38/39, "G" Block, Bandra Kurla Complex, Bandra (East) Mumbai - 400051

Corporate Identification Number (CIN): U65990MH2003PLC142829
E-mail: Saket.Maheshwari@sc.com

Date: August 27, 2020
Place: Mumbai

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. for a proxy to be valid it must be deposited at the registered office of the company, not less than 48 hours before the commencement of meeting.

2. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights only exception being that a member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays between 9.00 a.m. to 6.00 p.m. up to the date of the Annual General Meeting.

4. The Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts and Arrangements maintained under Sections 170 and 189 of the Companies Act, 2013 respectively are available for inspection at the registered office of the Company during business hours between 9.00 a.m. to 6.00 p.m. except on holidays and will be made available for inspection at the venue of the meeting.

5. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips along with their copy of the Annual Report to the Meeting.

6. Bodies' Corporate members are requested to send a certified copy of the board resolution authorizing their representative/s to attend and vote at the meeting pursuant to provisions of Section 113 of the Companies Act, 2013.

7. The term 'Members' has been used to denote members of the Standard Chartered Investments and Loans (India) Limited.

By Order of the Board of Directors,
For Standard Chartered Investments and Loans (India) Limited

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Saket Maheshwari
Company Secretary
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C-1/2303, Freesia, Neelkanth Greens Manpada, Thane-400610

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Corporate Identification Number (CIN): U65990MH2003PLC142829
E-mail: saket.maheshwari@sc.com

Date: August 27, 2020
Place: Mumbai

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ANNEXURE I

Details of Directors seeking re-appointment in the forthcoming Annual General Meeting.

(In pursuance of Secretarial Standards on General Meetings [SS-2])

Name of the Director	**Mr. Pradeep Iyer**
Director Identification Number	07352497
Category	Non Executive Director
Date of Birth	24 May 1966
Age	53
Date of First Appointment on the Board	01 January 2016
Relationship with Directors and KMPs	N.A.
Qualifications	Bachelor of Commerce and Chartered Accountant

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Expertise in specific functional area.	Mr. Pradeep Iyer is currently the Chief Risk Officer of Standard Chartered Bank - India. He also heads the Local Corporate business for the ASEAN Region in Standard Chartered Bank. Mr. Pradeep has been with the Bank for over sixteen years in various Risk and Business roles in India, USA, Dubai and Africa. Immediately prior to the current role, he was the Regional Head for the Bank's Local Corporate business with responsibility for sub-Saharan Africa. Before he joined Standard Chartered, Mr. Pradeep has also been in various business roles in India and Australia with ANZ Bank and Dresdner Bank in India. Mr. Pradeep has played a key role in facilitating the expansion of the Bank's Local Corporate business as well as its growing product and structuring capabilities in India, Africa and South East Asia. He continues to leverage his experience across different geographies and functions as he focuses on building the Local Corporate business in the South East Asia Region.
Remuneration last drawn	NIL
No. of Meetings of the Board attended during the year	03 (Three)
Terms and Conditions of Appointment or re-appointment along with remuneration	NA
Directorship in other Companies as on 31 March, 2020	a) Standard Chartered Securities (India) Limited as a Director b) Standard Chartered Finance Private Limited as a Director c) St. Helen's Nominees India Private Limited as a Director
Chairman/Member of the Committee of the Board of Directors as on 31 March, 2020	a) Member of Risk Committee b) Member of Credit Committee c) Member of Borrowing Committee

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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ANNEXURE II

Details of Directors seeking re-appointment in the forthcoming Annual General Meeting.

(In pursuance of Secretarial Standards on General Meetings [SS-2])

Name of the Director	**Mr. K V Subramanian**
Director Identification Number	07842700
Category	Non Executive Director
Date of Birth	23 September 1965
Age	52
Date of First Appointment on the Board	27 November 2017
Relationship with Directors and KMPs	NA
Qualifications	Masters degree in Management from NMIMS, Mumbai University and Bachelors degree in Mechanical Engineering from PSG College of Technology, Coimbatore
Expertise in specific functional area.	Mr. Subramanian is currently Head of Strategy, Process & Governance at Standard Chartered Bank, India. Prior to this he was Managing Director & Head Global Markets and Co Head of the Wholesale Bank at Standard Chartered Bank, Indonesia from 2011-2017. Subramanian has over 28 years of banking experience having joined ANZ Grindlays Bank in 1989 as a Management Trainee in the Capital Markets division. In 1992 he joined TAIB Bank, Bahrain to set up the India Investment desk for the Bank and was also responsible for their proprietary equity and debt business. In 1996 he moved back to ANZ Grindlays Bank, India to run the Debt Capital Markets Sales business. Post the merger of SCB and ANZ Grindlays in 2000, he ran the Institutional Sales business for South Asia(2000-2006) and from 2006 to 2011 was Managing Director & Regional Head Capital Markets for South Asia. He has been responsible for leading some of the large Capital Market transactions for SCB from India.
Remuneration last drawn	NIL
No. of Meetings of the Board attended during the year	04 (Four)

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Terms and Conditions of Appointment or re-appointment along with remuneration	NA
Directorship in other Companies as on 31 March, 2020	a) St. Helen's Nominees India Pvt. Ltd as a Director b) Standard Chartered (India) Modeling and Analytics Centre Pvt Ltd as a Director c) Standard Chartered Private Equity Advisory (India) Pvt. Ltd as a Director d) Standard Chartered Finance Private Limited as a Director e) Standard Chartered Securities (India) Limited as a Director f) NGL FINE – CHEM Limited as an Additional Independent Non-Executive Director g) CDSL Ventures Limited as a Director
Chairman/Member of the Committee of the Board of Directors as on 31 March, 2020	a) Member of CSR Committee b) Member of Risk Committee c) Member of Credit Committee d) Member of Borrowing Committee e) Member of NRC Committee

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. ★

BOARD OF DIRECTORS

REPORT

OF

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED

FOR THE FINANCIAL YEAR ENDED 31.03.2020

BOARD OF DIRECTORS AS AT 31.3.2020:

SR.NO	NAME OF THE DIRECTORS	DIN	POSITION
1	Ms. Zarin Daruwala	00034655	Director
2	Mr. Subhradeep Mohanty	07721796	Director
3	Mr. Pradeep Iyer	07352497	Director
4	Mr. K V Subramanian	07842700	Director
5	Mr. Prashant Kumar	08584379	MD & CEO
6	Mr. Siddhartha Sengupta	08467648	Independent Director
7	Mr. Neil Percy Francisco	08503971	Independent Director
8	Mr. G V Gopalakrishnan	02381008	Independent Director

STATUTORY AUDITORS:

M/s. Deloitte Haskins & Sells, Chartered Accountants
(Firm's Registration No.117365W)

INTERNAL AUDITORS:

M/s. Banshi Jain & Associates, Chartered Accountants

SECRETARIAL AUDITORS:

M/s. Ragini Chokshi & Co. Company Secretaries

REGISTERED OFFICE ADDRESS:

6th Floor, Crescenzo, Plot No C-38 & 39,
'G Block', Bandra Kurla Complex, Bandra (East),
Mumbai- 400051, India.

CORPORATE INDENTITY NUMBER:

U65990MH2003PLC142829

STOCK EXCHANGE:

Bombay Stock Exchange

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STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED

DIRECTORS' REPORT

Dear Members,

The Directors of your Company have pleasure in presenting the Seventeenth Annual Report including the Company's Audited Financial Statement for the financial year ended March 31, 2020.

BACKGROUND

Standard Chartered Investments and Loans (India) Ltd. (SCILL), a wholly owned subsidiary of Standard Chartered Bank-UK incorporated in the year 2003 is a non-deposit taking Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI). SCILL with a net worth of INR 91,126 Lacs and balance sheet size of INR 250,568 Lacs is one of the few NBFC with a credit rating of AAA (stable long term - CRISIL & ICRA) and offers lending products viz. Corporate loans, Loans against securities (LAS) and Loans against Property (LAP).

ECONOMIC & MARKET OUTLOOK

India's GDP slowed down to 4.2% YoY in FY2019-20 (FY19: 6.1%) and the Banking sector credit growth slipped to 6.1% (FY19: 13.3%). Retail segments and NBFCs continued to be the key drivers contributing to ~86% of the incremental disbursements in FY20. The RBI's liquidity support measures helped boost banking system liquidity to an average surplus of INR 1.75 tn vs a deficit of INR 0.3 tn in FY19 (FYTD21: INR 7.1 tn).

In FY21, we expect 4% GDP contraction (the lowest in 4-decades). This is attributed to the impact of the coronavirus pandemic hitting India's economy via three channels.

(1) The ten-week lockdown would lead to a sharp slowdown in domestic activity. We estimate that the lockdown in April 2020 itself shaved off c.4.8% from FY21 GDP growth.

(2) We expect global growth to slow to -2.3% in 2020 from 3.0% in 2019; c.16% of final demand in India depends on the global economy, with the services sector most exposed.

(3) India's manufacturing sector is vulnerable to supply-chain disruptions in the US and Europe while some normalisation is seen in China; c.70% of India's imports are in form of intermediate goods there by impacting the mfg activity. Services is impacted relatively worse than manufacturing. Meanwhile, the sharp drop in crude oil prices have had a salutary effect as it contributes to a sharp improvement in external sector dynamics.

Given that Q1-FY21 has already seen two months of lockdown and reopening is likely to be slow amid rising infection rates especially in key industrial districts, a sharp contraction in Q1-FY21 seems inevitable. Limited announced government spending until now indicates a tepid recovery during the rest of FY21 too. The Monetary Policy Committee has cut repo rate by 250

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bps and reverse repo rate by 290 bps since Jan-2019. We expect another 50 bps reduction in policy rates in the coming months. The transmission of these policy rates changes to NBFC sector has been muted. We expect NBFC cost of borrowing to remain benign for this financial year. Further, with RBI offering moratorium benefits to retail clients for 6 months we expect the risk perception going up for the NBFC sector.

The external sector remains the only bright spot partly buoyed by lower oil prices along with a strong FDI flows pipeline being witnessed in the economy. We project C/A deficit at 0.4% of GDP (one of the lowest in more than a decade) along with a double-digit Balance of Payments surplus.

2020 does have a significant election calendar – state elections in Bihar and Jammu & Kashmir in Q4-2020.

SCILL STRATEGY

SCILL traditionally has been catering to existing to bank clients by offering lending solutions to them. SCILL expertise lies in offering products to Commercial, Corporate & Institutional bank clients. In last few years, SCILL also decided to offer lending products to Private and wealthy clients. SCILL was focusing & leveraging existing group clients for business in all of these segments As per the refreshed strategy plan developed in 2018, SCILL decided to tap Retail clients which are both new and existing of group by offering LAS and LAP. Over, a period of time SCILL intends to build a strong and robust retail franchise. SCILL also started the digital journey by putting in place new software which will help capture the market. SCILL is also working towards integrating lot of micro services so as to process the loan quickly.

Currently, SCILL has an asset base of INR 250,568 Lacs as of March 31, 2020, from clients across Commercial, Corporate & Institutional banking and Private & Retail banking segments. The Company is a profit-making entity with a net worth of INR 91,126 Lacs, revenues of INR 27,018 Lacs and operating profit of INR 10,086 Lacs (Audited financials of FY 2019-20).

The Company's differentiated and complimenting support within the Group to its Commercial, Corporate and Private banking clients are already well established and are being leveraged. It is in the Retail client segment that there exists white spaces, in terms of geographies and product offerings of clients segments that can be captured and help support Standard Chartered Group's penetration in the Indian Market.

The Company aims to tap the large Retail, SME finance opportunity by focusing on High Networth Individuals, Mass and Emerging Affluent segments with diversified products suite across Retail Finance, Securities Finance & Wholesale Credit covering LAP, Securities Finance, Mortgages etc. The Company will establish distribution through branches by following customer centric direct distribution model, third party sourcing & digital platform complementing and deepening the Group's reach across the India Franchise.

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COVID

The COVID-19 economic damage is likely to unprecedented & disruptive for there are very early indication of global recession for growth has slowed in all major economies. COVID-19 has impacted huge number of people globally and also in India, the cases continue to rise even today. The Lock down introduced to crub the spread of virus has impacted the health of businesses for their revenue from operations have come down. Further it has also impacted the consumer sentiment and demand is likely to take a hit. The government has taken steps by announcing a stimulus package which will help boost the sentiment of business. We expect that the benefit of the measures announced by Govt will be realized in mid to long term.

The SCILL business and operations have also been impacted from the last week of March 2020. We have managed to support our clients & have been able to provide them with services during the lockdown period even though majority of our staff were working from home. As per the policy approved by the Board pursuant to Reserve Bank of India (RBI) Circular dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Company has granted EMI moratorium to the eligible borrowers for a period upto 3 months with regards to the payment falling due between March 1, 2020 and May 31, 2020. Further, in relation to the accounts overdue but standard as on February 29, 2020 where moratorium benefit has been extended in terms of aforesaid RBI guidelines, the staging of those accounts at March 31, 2020 is based on the days past due status as on February 29, 2020. Based on the Company's assessment, this relaxation has not been deemed to be automatically triggering significant increase in credit risk. On May 22, 2020, the RBI has announced further extension of the Moratorium Period by three months; the Company is currently in the process of rolling out client communications extending the moratorium to eligible borrowers. As on March 31, 2020 - 22 % of the book is under Moratorium.

The impact on the Global & Indian economy, businesses and customers' response thereon continues to be uncertain amidst the pandemic. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which have been subjected to a number of management judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities and the responses of businesses and consumers in different industries. While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from prior year, the Company has separately incorporated estimates, assumptions and judgements specific to the COVID-19 impact based on early indicators of moratorium and delayed payments metrics observed along with an estimation of potential stress on probability of defaults. Accordingly, the Company has measured additional impairment loss allowance and recognized total provision for INR1,297 Lacs in the Standalone Statement of Profit and Loss. In addition, while assessing the liquidity situation, the Company has taken into consideration certain assumptions with respect to repayments of loan assets and undrawn committed lines of credit, borrowing limits based on its past experience which have been adjusted for the current events. Given the dynamic nature of the pandemic situation, the extent of impact on the Company's impairment loss allowance on assets and its future results will depend on the severity, duration and impending developments in relation to the pandemic situation, which are highly uncertain and thus the Company will continue to assess and closely monitor the same.

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GOVERNANCE & CONTROLS

SCILL has an extremely well-defined and embedded governance structure, which fully supports & endorses the Corporate Governance principles. It is further complying with all applicable laws and regulations. SCILL is regulated by the Non-Banking Financial Company (NBFC) guidelines prescribed by Reserve Bank of India (RBI).

Corporate governance of the entity is complied with the Companies Act 2013 which includes an Independent Board with all Board level committee to ensure full and fair adoption of policies and disclosures relating to the affairs of the company.

FINANCIAL PERFORMANCE

The summary of the Company's financial performance based on Ind AS for the Financial Year 2019-20 as compared to the previous Financial Year 2018-19 is given below:

(INR Lacs)

Particulars	**2019 - 2020**	**2018 - 2019**
Total Income	27,018	15,317
Total Expenditure	17,408	8,798
Impairment on financial instruments	1,297	254
Profit before exceptional items and tax	8,313	-
Exceptional Items	1,773	-
Profit before Tax	10,086	6,265
Provision for Tax	2,361	1,867
Profit for the period	7,725	4,398
Other Comprehensive Income	(9)	(35)
Total Comprehensive Income for the period	7,716	4,363
Earning per equity share of Rs. 10/- face value (Basic & diluted) (in Rs)	1.70	0.97

FINANCIAL PERFORMANCE

Considering the challenges and the adverse market conditions that prevailed in the macroeconomic environment, it is gratifying that your company delivered a steady financial and operating performance for FY 2019-20.

- The company's balance sheet continues to be highly liquid; diversified and conservatively positioned.
- Total advances increased by 11% to INR 205,754 Lacs, as against INR 184,723 Lacs in FY20. The assets were well diversified and across segments.
- Operating Profit of the Company is higher by 61% as compared to the previous years to reach INR 10,086 Lacs.
- As a consequence, Company's Profits after tax stood at INR 7,725 Lacs for FY 20.

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ISSUE & LISTING OF NON-CONVERTIBLE DEBENTURES AND COMMERCIAL PAPERS

The Company on July 26, 2019 issued and allotted Secured, Rated, , Redeemable 1,500 Non-Convertible Debentures of Rs. 10,00,000/- each on private placement basis in accordance with the provisions specified under SEBI (Issue and Listing of Debt Securities) Regulations, 2008 & as amended from time to time. Further, pursuant to SEBI circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019 as amended from time to time, Company listed its Commercial Papers on BSE.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARY COMPANIES, JOINT VENTURE OR ASSOCIATE COMPANIES

During the financial year, the Company, on December 9, 2019 divested its investment of 13,000,000 equity shares of its associate Company namely Standard Chartered (India) Modeling and Analytics Centre Private Limited (SCMAC).

During the financial year, there were no companies which have become or ceased to be its Subsidiary Company or Joint Venture.

REPORT ON PERFORMANCE OF ASSOCIATE COMPANY

SCMAC is an off- shore specialist company dedicated to provide high-end analytical/quantitative services to the Standard Chartered Group. SCMAC has following three business verticals which assist in generating revenue for SCMAC entity as a whole:

a. Group Risk Measurement Analytics (GRM)
b. Business Analytics and
c. Credit Risk Management Analytics (CRM).

On a broader perspective, owing to the increasing global customer base of Standard Chartered, SCMAC foresees high growth potential in its business verticals due to surge in demand for research, analytical and quantitative services.

RBI GUIDELINES

The company has complied with all the applicable regulations of the Reserve Bank of India and met all the prudential norms prescribed by the RBI throughout the year

CREDIT RATING

During the financial year, CRISIL reaffirmed its rating of 'CRISIL A1+'on the Company's short-term debt programme and 'CRISIL AAA/Stable' on the Company's long term debt instrument.

In April 2020, ICRA also reaffirmed rating of 'ICRA A1+'on the Company's short term debt programme and 'ICRA AAA/Stable' on the Company's long term debt instrument

In April 2020, CRISIL assigned rating of 'CRISIL AAA/Stable' on the Company's bank facilities.

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CHANGE IN SHARE CAPITAL

There is no change in share capital during the financial year.

DIVIDEND

Your Company's Balance Sheet is driven by client centric strategy and the profits generated will be retained and deployed to monetize the opportunities. Therefore, the Directors do not recommend any dividend for the financial year 2019 – 2020.

TRANSFER TO RESERVES

Your Directors draw attention of the members to Statement of Changes in Equity to the financial statement which sets out amount to be transferred to reserves.

DEPOSITS

The Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return in Form MGT 9 as required under the provisions of Section 92(3), Section 134(3) of the Act and prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as **Annexure I** to this report. The extract will be made available on the website of the Company having link as http://www.standardcharteredinvestmentsloans.co.in

BOARD CONSTITUTION AND MEETINGS OF THE BOARD (AS AT 31 MARCH 2020):

Sr. No.	Board of Directors	Designation
1.	Ms Zarin Daruwala (DIN 00034655)	Non Executive Director & Chairperson
2.	Mr. Subhradeep Mohanty (DIN 07721796)	Non Executive Director
3.	Mr. Pradeep Iyer (DIN 07352497)	Non Executive Director
4.	Mr. K. V. Subramanian (DIN 07842700)	Non Executive Director
5.	Mr. Gautam Jain (DIN 08398438)*	Non Executive Additional Director
6.	Mr. Souvik Sengupta (DIN 07716597)*	Managing Director & Chief Executive Officer
7	Mr. Neil Percy Francisco (DIN 08503971) #	Non -Executive Independent Director
8	Mr. G V Gopalakrishnan (DIN 02381008) #	Non -Executive Independent Director
9	Mr. Siddhartha Sengupta (DIN 08467648) #	Non -Executive Independent Director
10	Mr. Prashant Kumar (DIN 08584379) #	Managing Director & Chief Executive Officer

**Mr. Gautam Jain, resigned with effect from September 11, 2019 and *Mr. Souvik Sengupta resigned with effect from October 31, 2019*
 # Mr. G V Gopalakrishnan and Mr. Siddhartha Sengupta were appointed with effect from June 14, 2019
 # Mr. Neil Percy was appointed with effect from July 8, 2019
 # Mr. Prashant Kumar was appointed with effect from November 1, 2019.

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Four (4) Board meetings were held during the year. The details are given below:

Date	Board strength	No. of Directors present
May16, 2019	6	6
September 11, 2019	6	6
November 13, 2019	8	7
March 03, 2020	8	8

AUDIT COMMITTEE CONSTITUTION AND MEETING OF THE AUDIT COMMITTEE (AS AT 31 MARCH 2020):

Sr. No.	Audit Committee	Designation
1.	Mr. Subhradeep Mohanty (DIN 07721796)	Non Executive Director & Chairperson
2.	Mr. Pradeep Iyer (DIN 07352497)*	Non-Executive Director
3.	Mr. K V Subramanian (DIN 07842700)*	Non-Executive Director
4	Mr. Neil Percy Francisco (DIN 08503971)#	Non-Executive Independent Director
5	Mr. Siddhartha Sengupta (DIN08467648)#	Non-Executive Independent Director

**Resigned from the Committee with effect from July 8, 2019*
#Appointed as a member of the Committee with effect from July 8, 2019

Five (5) Audit Committee meetings were held during the year. The details are given below:

Date	Committee strength	No. of Members present
May 16, 2019	3	3
September 11, 2019	3	3
November 13, 2019	3	3
January 9, 2020	3	2
March 3, 2020	3	3

NOMINATION & REMUNERATION (NRC) COMMITTEE CONSTITUTION AND MEETING OF THE NRC COMMITTEE (AS AT 31 MARCH 2020):

Sr. No.	Nomination & Remuneration (NRC) Committee	Designation
1.	Mr. K. V. Subramanian (DIN 07842700)	Non Executive Director
2.	Mr. Subhradeep Mohanty (DIN 07721796)*	Non Executive Director
3.	Mr. Pradeep Iyer (DIN 07352497)*	Non Executive Director
4	Mr. G V Gopalakrishnan (DIN 02381008) #	Non-Executive Independent Director
5	Mr. Siddhartha Sengupta (DIN 08467648) #	Non-Executive Independent Director
6	Mr. Neil Percy Francisco (DIN 08503971) #	Non-Executive Independent Director

**Resigned from the Committee with effect from July 8, 2019*
#Appointed as a member of the Committee with effect from July 8, 2019

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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Four (4) Nomination & Remuneration Committee meetings were held during the year. The details are given below:

Date	Committee strength	No. of Members present
May16, 2019	3	3
September 11, 2019	3	3
November 13, 2019	4	4
March 03, 2020	4	4

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE CONSTITUTION AND MEETING OF THE CSR COMMITTEE (AS AT 31 MARCH 2020):

Sr. No.	Corporate Social Responsibility (CSR) Committee	Designation
1.	Mr. Souvik Sengupta (DIN 07716597)*	Managing Director & Chief Executive Officer
2.	Mr. K. V. Subramanian (DIN 07842700)#	Non Executive Director
3.	Mr. Pradeep Iyer (DIN 07352497)#	Non Executive Director
4	Mr. G V Gopalakrishnan (DIN 02381008) ##	Non-Executive Independent Director
5	Mr. Neil Percy Francisco (DIN 08503971) ##	Non-Executive Independent Director
6	Mr. Prashant Kumar (DIN 08584379) $	Managing Director & Chief Executive Officer

**Resigned from the Committee with effect from October 31, 2019*
#Resigned from the Committee with effect from July 8, 2019
##Appointed as a member of the Committee with effect from July 8, 2019
$ Appointed as a member of the Committee with effect from November 1, 2019

One (1) Corporate Social Responsibility Committee Meeting was held during the year. The details are given below:

Date	Committee strength	No. of Members present
November 13, 2019	3	3

BORROWING COMMITTEE (ERSTWHILE NON-CONVERTIBLE DEBENTURES (NCD) COMMITTEE) CONSTITUTION AND MEETING OF THE NCD COMMITTEE (AS AT 31 MARCH 2020):

Sr. No.	Borrowing Committee (Erstwhile Non Convertible Debentures (NCD) Committee)	Designation
1.	Mr. Subhradeep Mohanty (DIN 07721796)	Non Executive Director
2.	Mr. K. V. Subramanian (DIN 07842700)	Non Executive Director
3.	Mr. Pradeep Iyer (DIN 07352497)	Non Executive Director
4.	Mr. Souvik Sengupta (DIN 07716597)*	Managing Director & Chief Executive Officer
5	Mr. Prashant Kumar (DIN 08584379)#	Managing Director & Chief Executive Officer

**Resigned from the Committee with effect from October 31, 2019*
#Appointed as a member of the Committee with effect from November 1, 2019

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Two (2) Borrowing Committee (Erstwhile Non Convertible Debenture (NCD) Committee) Meeting held during the year. The details are given below:

Date	Committee strength	No. of Members present
April 9, 2019	4	4
May 22, 2019	4	3

ATTENDANCE OF DIRECTORS / COMMITTEE MEMBERS: (2019-2020)

Name of Directors	Board Meeting	Audit Committee	Nomination & Remuneration Committee	CSR Committee	Borrowing Committee
	Attended	Attended	Attended	Attended	Attended
Ms. Zarin Daruwala	4	NA	NA	NA	NA
Mr. Subhradeep Mohanty	4	5	1	NA	2
Mr. Pradeep Iyer	3	1	1	NA	2
Mr. K. V. Subramanian	4	1	4	1	2
Mr. Gautam Jain	2	NA	NA	NA	NA
Mr. Souvik Sengupta	2	NA	NA	NA	1
Mr. Neil Percy	3	4	2	1	NA
Mr. G V Gopalakrishnan	3	NA	3	1	NA
Mr. Siddhartha Sengupta	3	3	3	NA	NA
Mr. Prashant Kumar	2	NA	NA	NA	NA

DIRECTORS

Mr. Gautam Jain (DIN 08398438) resigned from the Board during the financial year 2019-2020. The Board places on record sincere appreciation of the valuable services rendered by him during his tenure as a Director of the Company.

Mr. Souvik Sengupta (DIN 07716597) resigned from the Board as Managing Director & CEO and Key Managerial Person of the Company during the financial year 2019-2020. The Board places on record sincere appreciation of the valuable services rendered by him during his tenure as a Director of the Company

Mr. Prashant Kumar (DIN 08584379) was appointed as an Additional Director with effect from October 11, 2019. Thereafter, he was appointed as a Director and Managing Director & CEO & Key Managerial Person of the Company with effect from November 1, 2019 and the same was approved in the Extra Ordinary General Meeting of the Company held on March 3, 2020.

Pursuant to Section 152 of the Act, Mr. Pradeep Iyer (DIN 07352497) and Mr. K V Subramanian (DIN 07842700) being longest in the office retires by rotation and being eligible offers themselves respectively for reappointment at the ensuing Annual General Meeting.

Mr. G V Gopalakrishnan, Mr. Neil Percy Francisco and Mr. Siddhartha Sengupta, Independent Non – Executive Directors have submitted the declaration of Independence, as required pursuant to Section 149 (7) of the Act, stating that they meet the criteria of Independence as provided in sub-section (6) of the Act and are not disqualified from continuing as Independent Directors.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

KEY MANAGERIAL PERSONNEL

During the financial year, Ms. Richa Tripathi (PAN No. AEBPT9790D), the Chief Operating & Financial Officer (COFO) and Key Managerial Person of the Company resigned with effect from October 31, 2019

Ms. Priya Ranjit (PAN: ABNPH0503P) was appointed as Chief Operating & Financial Officer (COFO) and Key Managerial Person of the Company with effect from November 11, 2019

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

INR Lacs

a.	**Conservation of Energy**		
	1.	Steps taken for conservation of energy	NIL
	2.	Steps taken for utilizing alternate sources of energy	
	3.	Capital investment on energy conservation equipments	
b.	**Technology absorption**		
	1.	Efforts made towards technology absorption	NIL
	2.	Benefits derived like product improvement, cost reduction, product development or import substitution	
	3.	Expenditure on Research & Development, if any	
		a. Details of Technology imported, if any	
		b. Year of Import	
		c. Whether imported technology fully absorbed	
		d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof	
	4.	Expenditure incurred on the Research and Development	
c.	**Foreign Exchange Earnings and Outgo**		
	1.	Foreign Exchange Earnings by the Company	
	2.	Foreign Exchange Expenditure by the Company	1,081

The company has no activity relating to consumption of energy or technology absorption. Foreign currency expenditure amounting to INR 1,081 Lacs (Previous year INR Nil) was incurred during the year under review. The company does not have any foreign exchange earnings.

STATEMENT ON DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has a strong governance culture and framework for risk management. The Company's risk management principles align with those established at a Group level and are customized to meet the local regulatory requirements. There are different types of risk that the Company is exposed to such as credit risk, market risk and operational risk. Our risk management approach is based on a clear understanding of various risks and regular assessments, measurement and monitoring.

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CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Companies Act, 2013, the Company has a CSR policy framed in consultation with relevant stakeholders and approved by the Company's CSR Board Committee which outlines the broad areas in which it would like to engage as part of CSR.

The proposal was aligned to the new community strategy of Employability, and the Company's WASHE community programme. The WeSURE Program – Water for Enabling Sustainable Reforms, was initiated in March 2018. Overall objective of We SURE Program is to implement strategies that will stabilize/ improve water resource scenario in 4 villages of Paithan Taluka, Kesapuri, Pangra and Shivnai in Aurangabad district and thereby enhance income, impacting lives and livelihoods. In 2019, the programme will focus on soil and moisture conservation, and generating livelihood opportunities such as horticulture, sericulture, and promotion of greenhouses and develop skills of the youth to help them secure higher remuneration.

The goal is to engage with villagers/community in identified villages and State Government to take up water management strategies for enabling Social Transformation through Total Water Security. The activities will relate to addressing-Water-Agriculture-livelihood connect, including:

- Promotion of demand side measures for land and water management - soil and moisture conservation, horticulture and agro based livelihood options, promotion of green houses for mitigating climate induced risks.
- Promoting alternate livelihoods and enhanced skill development for higher remuneration: eg. sericulture.

In line with the Companies (CSR Policy) Rules, 2014 details on CSR are as follows:

- The Company has a CSR Committee of the Board comprising of three directors, namely Mr. Prashant Kumar, MD & CEO, Mr. K V Subramanian – Non Executive Director, Mr. G V Gopalakrishnan – Non-Executive Independent Director and Mr. Mr. Neil Percy Non-Executive Independent Director
- Company's current document on CSR primarily covers areas around Health, sanitation, education and empowering girl child.
- Average net profit of the Company for the last three financial years – 2016 – 2017: INR 6,097 Lacs, 2017 – 2018 : INR 7,485 Lacs and 2018 – 2019 : INR 6,265 Lacs = Average net profit is INR 6,616 Lacs
- 2% of the Average Net profit – INR 132 Lacs.
- Details of CSR spent during the financial year:
    - Total amount to be spent for the financial year: INR 132 Lacs.
    - Total amount spent during the year (2019-2020): INR 133 Lacs
    - Amount unspent, if any: Nil
    - Manner in which the amount spent during the financial year :

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Sr. No	CSR Project	Relevant Section of Schedule VII in which the Project is covered	Projects/ Programmes coverage	Amount outlay (Budget)	Amount spent on the project / programs		Cumulative expenditure upto March 31, 2020	Amount spent Directly / Implementing Agency
					Direct expenditure	Overheads		
1	Social Transformation through total water security in 2 villages benefitting 1000 people. In addition it will focus on an additional new village in Aurangabad district, for initiating measures for improved water scenario in the selected new village. These would entail both demand and supply side measures. (We SURE Program – Water for Enabling Sustainable Reforms)	Schedule VII, Clause (iv) – ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil water and water	Enabling Improved Climate Smart Water Resource Management (demand and supply side measures) 2 Villages in Paithan taluk, with an additional villages identified for intervention in Aurangabad district, Maharashtra	INR 133 Lacs	-	-	-	NA

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CSR Committee Responsibility Statement:

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company are in compliance with the CSR objectives and CSR policy of the Company.

The **CSR document** is annexed as **Annexure II.**

BOARD EVALUATION AND PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually.

The Nomination and Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, Committees and individual directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors/ Non-Executive Directors/ Executive Director and Chairman of the Board.

Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

A separate exercise was carried out to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors of the Company were required to hold atleast one meeting before the Board Meetings without the presence of the Chairman & Managing Director or other Non-Independent Directors or Chief Financial Officer or any other Management Personnel. These Meetings are required to be conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole (taking into account the views of the Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In order to support and enable Companies to focus on taking necessary measures to address the COVID-19 threat Ministry of Corporate Affairs has announced various measures on 24 March 2020 vide General Circular No. 11 / 2020. For the financial year 2019-20, the Independent Directors of the company were not able to hold such meeting as the same was relaxed by the aforesaid circular.

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DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

a) in the preparation of the annual accounts for the year ended March 31, 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

f) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

No such case of fraud was reported by the auditors of the company as required under the given act and rules.

Further to this - there were no fraud cases which were required to be reported to Central Government.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTOR

The Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act.

POLICY ON DIRECTORS APPOINTMENT, REMUNERATION AND CRITERIA FOR APPOINTMENT

The Company's Remuneration Policy for Directors, Key Managerial Personnel and other employees is annexed as **Annexure III** to the Directors' Report. Further, the Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors.

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The Nomination and Remuneration Committee (NRC) of the Company as at March 31, 2020 comprises of Mr. K. V. Subramanian (DIN 07842700), Mr. G V Gopalakrishnan (DIN 02381008) Mr. Siddhartha Sengupta (DIN 08467648) and Mr. Neil Percy Francisco (DIN 08503971) .

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

AUDITORS

Statutory Auditors

The Company at its Annual General Meeting ("AGM") held on August 9, 2017 appointed statutory auditors, M/s Deloitte Haskins & Sells, Chartered Accountants (Firms Registration No. 117365W), as the auditors of the Company, to hold office from the conclusion of the AGM up to the conclusion of fifth consecutive AGM (i.e. AGM to be held in calendar year 2022) (subject to ratification of the appointment by the members at every AGM).

Pursuant to the Companies (Amendment) Act, 2017 and the Notification dated May 07, 2018, released by the Ministry of Corporate Affairs, the amendment to Section 139 of the Companies Act, 2013 is now effective and hence the Statutory Auditors of the Company now shall be appointed without ratification and the same on the recommendation of Audit Committee and Board Members had been approved by the members at the AGM held on August 01, 2018.

Secretarial Auditors

In accordance with the provisions of section Sub-section (1) of section 204 and related provisions and rules of Companies Act, 2013 and based on the recommendation by the Audit Committee, M/s. Ragini Chokshi & Co., Company Secretaries were appointed as the Secretarial Auditors of the Company to conduct the Secretarial Audit for the financial year ending on March 31, 2020.

The Secretarial Audit Report for the financial year ended March 31, 2020 is annexed herewith marked as **Annexure IV** to this Report. The Secretarial Audit Report contains no observations.

AUDIT QUALIFICATION

The Company has not received any qualification, reservation, adverse remark or disclaimer under the Statutory audit and Secretarial audit for the FY 2019-2020. Secretarial Audit report is annexed as **Annexure IV** to the Directors' Report.

INTERNAL FINANCIAL CONTROLS

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

The Company has an Internal Financial Control Framework, commensurate with the size, scale and complexity of its operations.

The Internal Auditors evaluated the efficiency and adequacy of internal financial control framework in the Company, its compliance with operating systems, accounting procedures and policies of the Company. The assessments on internal financial control were presented to the Audit Committee of the Board.

Based on the framework of internal financial controls established and maintained by the Company, work performed by the internal, statutory and secretarial auditors, the reviews performed by Management and the relevant Board Committees, the Board, with the concurrence of the Audit Committee, is of the opinion that the Company's internal financial controls with reference to financial statements were adequate and effective as on March 31, 2019.

COST RECORDS AND COST AUDITORS

The provisions of Cost Audit and Records as prescribed under Section 148 of the Act, are not applicable to the Company.

VIGIL MECHANISM

The Code of Conduct of the Standard Chartered Group is also adopted by the Company which all employees are expected to observe in their business endeavours. The Code reflects the Company's commitment to principles of integrity, transparency and fairness. The Company has adopted a Speak Up Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

POLICY & DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

Your Company has in place an appropriate policy which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee has been set up to redress complaints, if any, received regarding sexual harassment of women. All employees (permanent, contractual, temporary, trainees) are covered under this policy. We further state that during the financial year under review, there were no complaints received/cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of investments made, guarantees given and securities provided along with the purpose for which the guarantee or security is proposed to be utilized by the recipient are provided in the financial statement. Please refer Note 8 and 9 of the financial statement.

Pursuant to Section 186 (11)(1)(a), the provisions of Section 186 in relation to loans made shall not be applicable to company engaged in the business of financing of the Companies .1st Provisio to the said section states that exemption is available in respect of lending activities.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel and Bodies Corporate that had a potential conflict with the interest of the Company at large. Accordingly, the particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the rules prescribed under Chapter IX relating to Accounts of Companies under the Companies Act, 2013, is appended as **Annexure V.**

MATERIAL CHANGES

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

CHANGE IN THE NATURE OF BUSINESS

During the financial year under review, there was no change in the nature of the business.

PARTICULARS OF EMPLOYEES

Details of Employees pursuant to the provisions of sub rule (2) and sub rule (3) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure VI**.

STATEMENT ON COMPLIANCE OF SECRETARIAL STANDARDS

Pursuant to Clause 9 of the Secretarial Standards-1, your Directors, to the best of their knowledge and belief, confirm that they have complied with the applicable Secretarial Standards.

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ACKNOWLEDGEMENTS

The Directors of your Company express their sincere gratitude to the Reserve Bank of India, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, Securities and Exchange Board of India, Bombay Stock Exchange other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in your Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company across all levels, resulting in successful performance during the year.

For and on behalf of the Board of Directors,

Zarin Daruwala	**Prashant Kumar**
Director	**MD & CEO**
(DIN 00034655)	**(DIN 08584379)**

Place: Mumbai
Date: June 15, 2020

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Annexure I to Director's Report

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED

FORM NO. MGT – 9

Extract of Annual Return
as on the financial year ended March 31, 2020

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U65990MH2003PLC142829
ii.	Registration Date	Incorporation date: October 22, 2003
iii.	Name of the Company	Standard Chartered Investments and Loans (India) Limited
iv.	Category / Sub-category of the Company	Company limited by Shares Non-govt company Public Limited Company (listed) and registered as NBFC with RBI
v.	Address of the registered office and contact details	Crescenzo, 6th Floor, C-38/39, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051. Tel. No. 91-22-61158495 Fax : 91-22-2675 7825
vi.	Whether listed company – Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	**Link Intime India Private Limited** C-13 Pannalal Silk Mills Compound LBS Marg , Bhandup West Mumbai 400 078 Tel : 022 2596 3838 Extn : 2253 / 2251

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No	Name and description of main products / services	NIC Code of the product/ service	% to total turnover of the

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

			Company
1.	Other financial service activities, except insurance and pension funding activities, n.e.c. (A registered non deposit taking Non-banking Financial Company (NBFC), it taps emerging market opportunities in commercial financing.)	64990	100%

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No	Name and address of the Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable section
01	Standard Chartered Bank (SCB), U. K. 1, Basinghall Avenue, London-EC2V5DD, London, U. K.	Registration No.: ZC18	Holding	**100%** 454385000 equity shares of INR 10 each. SCB is parent company of Standard Chartered Investments and Loans (India) Ltd.	2 (87)

III. SHAREHOLDING PATTERN (Equity share capital break-up as percentage of Total Equity)

(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares held	Demat	Physical	Total	% of total shares held	
A. Promote									

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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rs									
(1) Indian									
a. Individual /HUF	-	-	-	-	-	-	-	-	-
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt. (s)	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	-	-	-	-	-	-	-	-	-
e. Banks / FI	-	-	-	-	-	-	-	-	-
f. Any other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1):-									
a) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – individuals	-	-	-	-	-	-	-	-	-
c) Bodies corp.	NIL	454384994	454384994	100 %	NIL	454384994	454384994	100 %	NIL
d) Banks / FI									
e) Any other / ****Nominee shareholders**	NIL	06**	06	0.00 %	NIL	06**	06	0.00 %	NIL
Sub Total (A) (2)									
Total shareholding of the promoter (A) = (A) (1) + (A) (2)	**NIL**	**454385000**	**454385000**	**100 %**	**NIL**	**454385000**	**454385000**	**100 %**	**NIL**

B. Public shareholding									
1) Institutions									
a. Mutual funds	-	-	-	-	-	-	-	-	-
b. Banks / FI	-	-	-	-	-	-	-	-	-
c. Central Govt.	-	-	-	-	-	-	-	-	-
d. State Govt. (s)	-	-	-	-	-	-	-	-	-
e. Venture capital funds	-	-	-	-	-	-	-	-	-

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f. Insurance companies	-	-	-	-	-	-	-	-	-
g. FIIs	-	-	-	-	-	-	-	-	-
h. Foreign venture capital funds	-	-	-	-	-	-	-	-	-
i. Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1) :-	-	-	-	-	-	-	-	-	-
2) Non-Institutions Foreign									
a) Bodies Corporate (i) Indian (ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 1 Lac (ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lac (iii) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (2) : -	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B) (1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**NIL**	**454385000**	**454385000**	**100%**	**NIL**	**454 385 000**	**454385 000**	**100%**	**NIL**

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

(ii) Shareholding of Promoters

Sl. No.	Shareholder's names	Shareholding at the beginning of the year			Shareholding at the end the year			
		No. of shares	% of total shares of the Company	% of total shares pledged / encumbered to total shares	No. of shares	% of the total shares of the Company	% of total shares pledged / encumbered to total shares	% change in shareholding during the year
1.	Standard Chartered Bank UK (includes shares held by nominee shareholders)	454385000	100 %	Nil	454385000	100 %	Nil	Nil
	TOTAL	**454385000**	100 %	Nil	**454385000**	100 %	Nil	Nil

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	**Standard Chartered Bank U.K.**				
	At the beginning of the year	454,384,994	100	454,384,994	100
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA			

	At the end of the year	454,384,994	100	454,384,994	100
02	**Mr. Hemant Batra (Nominee Shareholder of Standard Chartered Bank U.K.)**				
	At the beginning of the year	01	0.00	01	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Transfer of One Equity Share of Rs.10 each from Mr. Souvik Sengupta to Mr. Hemant Batra (Nominee Shareholder of Standard Chartered Bank U.K.) with effect from September 11, 2019.			
	At the end of the year	01	0.00	01	0.00
03	**Mr. Ganesh Iyer (Nominee Shareholder of Standard Chartered Bank U.K.)**				
	At the beginning of the year	01	0.00	01	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA			
	At the end of the year	01	0.00	01	0.00
04	**Mr. Pratap Panicker (Nominee Shareholder of Standard Chartered Bank U.K.)**				
	At the beginning of the year	01	0.00	01	0.00

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	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	Transfer of One Equity Share of Rs.10 each from Mr. Sanjay Pandit to Ms. Richa Tripathi (Nominee Shareholder of Standard Chartered Bank U.K.) with effect from May 16, 2019. Transfer of One Equity Share of Rs.10 each from Ms. Richa Tripathi to Mr. Pratap Panicker (Nominee Shareholder of Standard Chartered Bank U.K.) with effect from September 11, 2019.			
	At the end of the year	01	0.00	01	0.00
05	**Mr. Saket Maheshwari (Nominee Shareholder of Standard Chartered Bank U.K.)**				
	At the beginning of the year	01	0.00	01	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NA			
	At the end of the year	01	0.00	01	0.00
06	**Mr. Kumarapuram Venkateswaran Subramanian (Nominee Shareholder of Standard Chartered Bank U.K.)**				
	At the beginning of the year	01	0.00	01	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/	NA			

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	sweat equity etc.):				
	At the end of the year	01	0.00	01	0.00
07	**Mr. Param Vasudev Sawlani (Nominee Shareholder of Standard Chartered Bank U.K.)**				
	At the beginning of the year	01	0.00	01	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Transfer of One Equity Share of Rs.10 each from Ms. Neeta Rege to Mr. Param Vasudev Sawlani (Nominee Shareholder of Standard Chartered Bank U.K.) with effect from May 16, 2019.			
	At the end of the year	01	0.00	01	0.00

(iv) Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the top ten shareholders	**No. of shares**	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer/bonus/sweat equity etc):	NIL	NIL	NIL	NIL
	At the end of the year (or on the date of separation, if separated during the year.)	NIL	NIL	NIL	NIL

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

Sr. no	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
01	**Mr. Souvik Sengupta (MD & CEO) (Director & Key Managerial Personnel)- Resigned-**				
	At the beginning of the year	01	0.00	00	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	Transfer of One Equity Share of Rs.10 each from Mr. Souvik Sengupta to Mr. Hemant Batra (Nominee Shareholder of Standard Chartered Bank U.K.) with effect from September 11, 2019.			
	At the End of the year	00	0.00	00	0.00
02	**Mr. Kumarapuram Venkateswaran Subramanian (Director)**				
	At the beginning of the year	01	0.00	01	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	01	0.00	01	0.00

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

03	**Mr. Saket Maheshwari (Head of Finance & CS) (Key Managerial Personnel)**				
	At the beginning of the year	01	0.00	01	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA			
	At the End of the year	01	0.00	01	0.00

(ii) Indebtedness

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

INR LACS

	Secured loans excluding deposits	**Unsecured bank loans**	**Unsecured loans (Commercial papers)**	**Deposits (inter corporate deposits)**	**Secured NCDs**	**Total Indebtedness**
Indebtedness at the beginning of the financial year						
i) Principal Amount	12,000	7,500	130,500	-	-	150,000
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but not due /unamortised Discount for CP	21	57	(3,162)	-	-	(3084)
Total (i+ii+iii)	**12,021**	**7,557**	**127,338**	**-**	**-**	**146,916**
Change in Indebtedness during the financial year						
• Addition	66,374	13,000	307,000	6,400	15,000	407,774
• Reduction	(60,612)	(7,500)	(333,000)	(1,500)	-	(402,612)
Net Change	**5,762**	**5,500**	**(26,000)**	**4,900**	**15,000**	**5,162**

Indebtedness at the end of the financial year i) Principal Amount	17,762	13,000	104,500	4,900	15,000	155,162
ii) Interest due but not paid	-	-	-	-	-	-
iii) Interest accrued but notdue/unamortised Discount for CP	136	49	(1,758)	26	892	(655)
Total (i+ii+iii)	**17,898**	**13,049**	**102,742**	**4,926**	**15,892**	**154,507**

(iii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl No.	Particulars of Remuneration	Name of MD /WTD/Manager		Total Amount
		Mr Souvik Sengupta, MD and CEO #	**Mr. Prashant Kumar MD and CEO # #**	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,945,833	11,624,609	21,570,442
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	179,367	179,367
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission -as % of profit -others specify...	-	-	-
5	Others (Contribution from PF)	455,700	240,000	695,700
	Total (A)	**10,401,533**	**12,043,976**	**22,445,509**
	Ceiling as per the Act	-	-	-

 # Mr Souvik Sengupta, MD and CEO had resigned w.e.f. October 31, 2019
 # # Mr. Prashant Kumar, appointed as an Additional Director w.e.f. October 11, 2019 and appointed as MD and CEO w. e. f. November 01, 2019

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. ★

B. Remuneration to other Directors:

Sl No	Particulars of Remuneration						Total Amount
	Independent Directors	Mr. Neil Percy Francisco *	Mr. Siddhartha Sengupta **	Mr. Gopalakrishnan Venkataraman Govindrajapuram ***	-	-	-
	• Fee for attending board meetings	3,00,000	3,00,000	3,00,000	-	-	9,00,000
	• Fee for attending committee meetings	6,00,000	6,00,000	3,00,000	-	-	15,00,000
	• Commission	NIL	NIL	NIL	NIL	NIL	-
	• Others, please specify	NIL	NIL	NIL	NIL	NIL	-
	Total (1)	**9,00,000**	**9,00,000**	**6,00,000**	**-**	**-**	**24,00,000**
	4. Other Non-Executive Directors	Ms. Zarin Daruwala	Mr. Subhradeep Mohanty	Mr. Pradeep Iyer	Mr. K. V. Subramanian	Mr. Gautam Jain #	-
	Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	-
	• Commission Others, please specify	NIL	NIL	NIL	NIL	NIL	-
	Total (2)	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**	**-**
	Total (B)=(1+2)	**9,00,000**	**9,00,000**	**6,00,000**	**-**	**-**	**24,00,000**
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-	-

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Mr. Neil Percy Francisco had been appointed as Non-Executive Independent Director w.e.f. July 08, 2019.

*****Mr. Siddhartha Sengupta had been appointed as Non-Executive Independent Director w.e.f. June 14, 2019.***

******Mr. Gopalakrishnan Venkataraman Govindrajapuram had been appointed as Non-Executive Independent Director w.e.f. June14, 2019.***

 # Mr. Gautam Jain, Additional Director had resigned w.e.f. September 11, 2019.

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

Sl No.	**Particulars of Remuneration**	**Key Managerial Personnel**			
		Ms. Richa Tripathi COO & CFO#	**Ms. Priya Ranjit** COO & CFO# #	**Mr. Saket Maheshwari** Head of Finance & CS	**Total Amount**
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,125,000	3,994,598	5,227,740	13,347,338
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others (Contribution from PF)	189,000	122,267	224,256	535,523
	Total	**4,314,000**	**4,116,865**	**5,451,996**	**13,882,861**

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

 # Ms. Richa Tripathi had resigned as COO & CFO w. e. f. October 31, 2019.

 # # Ms. Priya Ranjit was appointed as COO & CFO w. e. f. November 11, 2019.

(iv) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD /NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

On behalf of the Board of Directors,

Zarin Daruwala
Director
(DIN 00034655)

Prashant Kumar
MD & CEO
(DIN 08584379)

Place: Mumbai
Date : June 15, 2020

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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Annexure II to Director's Report

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED ("SCILL")

Corporate Social Responsibility Policy

Context:

Standard Chartered is a leading international banking group, with around 84,000 employees and over a 150-year history in some of the world's most dynamic markets. We bank the people and companies driving investment, trade and the creation of wealth across Asia, Africa and the Middle East. Our heritage and values are expressed in our brand promise, Here for good.

In keeping with Standard Chartered's here for good Brand Identity, Standard Chartered Investments & Loans (India) Limited, a subsidiary of Standard Chartered Group, encourages employees to help their local communities develop by contributing their knowledge, skills and talents.

The main objective of this document is to lay down guidelines for Standard Chartered Investments & Loans (India) Limited (hereinafter referred to as 'the company') to promote the social and economic well-being of communities and to support sustainable development in our markets.

It covers current / proposed CSR activities to be undertaken by the company and assess their alignment with Schedule VII of the Companies Act, 2013 as amended from time to time. It covers the roadmap for future CSR activities of the company.

Focus Areas:

Our community investment strategy focuses on health, water and sanitation, education, employability and entrepreneurship. We have a specific focus on people from local income households, especially girls and young women, and visually impaired young people.

CSR Programmatic Areas

Health - Seeing is Believing

We launched Seeing is Believing in 2003 to celebrate our 150th anniversary. Our target then was to restore the sight of 28,000 people; this represented a sight restoration for every member of the staff. To date, over a million sights have been restored and we are working with some of the world's leading eye care agencies to save the sights of millions more. Between 2003 and 2018, SiB has reached more than 167 million people, transforming lives, boosting local economies and strengthening communities.

Since 2003, our projects in India have benefitted over 13 million people through the 125 vision centers across twenty-two states in India.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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Blindness can have a devastating economic impact on individuals, families and communities. SiB raises funds to eliminate avoidable blindness, resulting in increased opportunities for education and employment.

Seeing is Believing involves a comprehensive eye-care framework, which has been developed through years of extensive research and draws on our credible implementing partner's international expertise and

experience. It allows individuals across the community to gain access to affordable eye-care services, such as vision screening, refraction, provision of spectacles and onward referrals to tertiary care hospitals for more complicated conditions.

Employability

Investing in communities is one of the priorities of Standard Chartered Group sustainability strategy along with contributing to sustainable economic growth and being a responsible company.

We have trained and employed thousands of people from the communities as Optometrists, Vision Technicians and Health Workers across our projects in India. Standard Chartered Group's SiB programme is one of the pioneers in launching the Vision Centre model in India which can be replicated and scaled-up.

Through our employee, client, and supplier networks, we promote awareness and employability of people who are visually impaired.

Water and Sanitation - WASHE

WASHE (Water Sanitation Hygiene Education), is a powerful programme that aims to provide easy access to safe water and improved toilet facilities as well as hygiene education for girl's in municipal schools.

Sanitation and hygiene are inter-connected to girls' health, need for privacy, dignity, safety and self-respect. NGO trainers and health practitioners educate and empower adolescent girls through water testing sessions, water harvesting, importance of menstrual hygiene, how to access the sanitary napkin dispensing unit installed in the school, and hygienic disposal of napkins. Early education on the importance of safe and clean water and forming personal hygiene habits can avert health loss or death due to infection, pneumonia and water borne diseases such as diarrhea, cholera and dysentery.

The programme gives girls access to water, toilets, financial literacy and awareness on sanitation and hygiene. Through WASHE the Company has sparked local community action and greater government involvement in the implementation of the programme.

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WASHE is now expanding to provide technical analysis and solutions to drought ridden districts for better water management and look to provide clean drinking water in villages which are devoid of the same.

Education

Education builds skilled and productive communities and improves livelihoods. Our education initiatives focus on building the financial capability of young people, with an emphasis on adolescent girls, and SMEs to help them make the most of the opportunities offered by economic growth.

The Company is committed to a disciplined delivery of financial education curriculum to girls. Through weekly sessions, they continue to provide coaching, mentoring, skill development, computer and communication skills to transform students' attitudes and behaviours towards life and their careers.

Goal

Goal is Standard Chartered Group's leading global education programme designed to transform the lives of girls and young women through sport and participatory life-skills education. The programme inspires and equips adolescent girls with the confidence, knowledge and skills they need to be integral economic leaders in their families, communities and societies.

The Goal curriculum is based on four in-depth training modules that combine sports with critical life skills training in areas such as leadership, communication skills, health and hygiene, confidence and financial literacy. A new module being developed will equip older girls to be ready to generate their own incomes by obtaining a job or developing their own enterprise. This lays the foundation for our economic empowerment work.

Goal is active in over 20 countries. Between 2006 and the end of the first half of 2018, through a combination of sports and life skills training, Goal contributed to the empowerment of more than 430,000 girls in more than 20 countries.

Employee volunteering

We support Standard Chartered Group's local communities by volunteering our time and seek to maximise our impact by encouraging skills based volunteering. All of our employees are entitled to take up to three days paid leave per year for volunteering.

Emergency response

Unforeseen disasters can significantly affect the economic, social and physical health of individuals and communities. We support emergency relief and reconstruction efforts in our market.

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Globally, our strategic relief partners are The International Red Cross/Red Crescent Societies. These organisations have long and reputable histories in supporting communities affected by disaster. Both partners have global networks and are extremely effective at moving money to the right locations to meet the highest priority needs as quickly as possible.

The company may partner with NGOs to make a difference among local communities. The company will review the focus areas / projects from time to time.

Composition of CSR Committee:

Pursuant to the provisions of Section 135 of the companies Act, 2013, the Board of Directors of the company has constituted the CSR committee. The members of the committee are appointed by the Board and consist of minimum 3 directors.

The CSR committee shall function as per the Terms of Reference (ToR) of the committee as may be specified and approved by the company's Board of Directors from time to time.

Undertaking CSR activities:

The company will undertake its approved CSR activities directly or such other entity/organisation as approved by the CSR committee. Activities that are undertaken by the company in pursuance of its normal course of business will not be considered as CSR activities. Any amount directly or indirectly

contributed towards any political party shall not be considered as CSR spend. The Group as a matter of policy does not permit any donation by / to political party (ies.)

Surplus, if any, arising out of CSR projects or programs or activities will not be considered as business profit of the Company.

Monitoring & Reporting

There will be a 3 tier monitoring mechanism for CSR activities of the Company. CSR Sub Committee comprised of the company's management would be the first level monitoring agency and would provide updates and status on various initiatives approved by CSR Committee.

CSR committee, a second level monitoring agency is a Board constituted Committee, comprising of 3 Directors which, supported by CSR sub - committee shall be responsible for:

- formulating and recommending CSR to the Board
- recommending amount of expenditure to be incurred on the activities
- instituting a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company
- reporting activities undertaken by the Company on annual basis

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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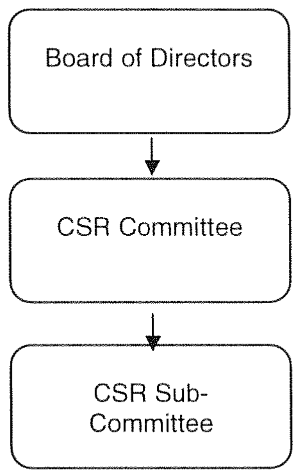
Board of Directors of the Company would serve as the third monitoring agency for CSR activities of the Company.

The 3 tier monitoring mechanism of CSR Policy of the Company is given as under:



The CSR committee / Board shall report the progress of the initiatives and make appropriate disclosures (internal/external) on a periodic basis. As per the CSR rules, the contents of this CSR policy shall be included in the Directors' Report and the same shall be displayed on the company's website, if any.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Annexure III to Director's Report

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED ("SCILL")

Appointment and Remuneration Policy

Policy Title	SCILL Appointment and Remuneration Policy
Version Number	1.1
Applicability	Directors, Key Managerial Personnel and Senior Management as defined in the Companies Act, 2013 and as amended from time to time and to other employees of the Company as may be applicable.
Geography	India
Status	Current
Effective Date	April 01, 2014
Review date	-
Purpose & Scope	Section 178 of the Companies Act 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 requires SCILL to formulate a policy on the appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management.
Policy Statement	**1. Criteria for determining the appointment of Senior Management personnel**: In SCILL, Senior Management consists of the heads of the business and the functions. For appointment of Senior Management as well as other levels of staff, appropriate Job Description (JD) are in place for each of the roles which covers the level of education, skill and experience required for appointment. The appointments at each of the positions is made after due evaluation of the candidate for the role by the respective Line Manager, Matrix Manager and the Human Resources. **2. Criteria for determining the appointment of Director** In SCILL, the composition of the Board of directors is diversified and apart from the Managing Director & CEO, who has substantial powers for managing the affairs of the Company, includes representations from Business, Governance and Risk from Standard Chartered Bank, India being a Group Company. **3. Criteria for determining the appointment of an Independent Director** With the Companies (Appointment and Qualification of Directors)

	Amendment Rules 2017 dated 5 July 2017 the following classes of unlisted public company shall not be covered under sub-rule (1), namely:-. (a) a joint venture; (b) a wholly owned subsidiary; and (c) a dormant company as defined under section 455 of the Act. Hence SCILL is exempt to have INEDs on its Board by virtue of being a wholly owned subsidiary. However, if SCILL lists any security (Equity shares or Debentures on Stock Exchange) then the company shall have at least one-third of the total number of directors as independent directors. Any fraction contained in such one-third number shall be rounded off as one. The candidature for appointment of Independent director would be evaluated on basis of merit. While the appointment of each of the directors would be placed before the Board after recommendations by the Nomination and Remuneration Committee, the following would be adhered to: 3.1 The Independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to Company's business. 3.2 The independent director in relation to SCILL , shall mean a director other than the managing director or whole-time director or nominee director,— (a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience; (b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company; (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company; (c) who has or had no 12[pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed,] with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;] (d)none of whose relatives— (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. ★

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);]

(e) who, neither himself nor any of his relatives—
(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

[14][Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.]

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any nonprofit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;

(f) who possesses such other qualifications as may be prescribed, currently as follows:

Qualifications of Independent Director

(1) An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

[1][(2) None of the relatives of an independent director, for the purposes of sub-clauses (ii) and (iii) of clause (d) of sub-section (6) of section 149,-

(i) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors; or

(ii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company,

for an amount of fifty lakhs rupees, at any time during the two immediately preceding financial years or during the current financial year.]

4. Terms & Conditions for appointment of an Independent Director

4.1 The independent director shall at the first meeting of the Board in which he participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an independent director, give a declaration that he meets the criteria of independence.

4.2 The Company and the Independent Directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013 which lays down the code of conduct for independent directors.

4.3 An independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in the Board's report.

4.4 No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director:

Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the company in any other capacity, either directly or indirectly.

4.5 Any intermittent vacancy of an independent director shall be filled up by the Board of SCILL at the earliest but not later than immediate next Board meeting or three months from the date of such vacancy, whichever is later.

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	5. Criteria for deciding remuneration payable to directors, key managerial personnel and other employees The Standard Chartered Group's performance, reward and benefits arrangements support and drive the Company's business strategy and reinforce our values in the context of a clearly articulated risk appetite and One Bank framework. SCILL rewards sustained performance over time and decisions on pay are strongly based on differentiation both for sustained performance and for behaviours. The Group has a very clear focus on governance at a Board level also and across the Group as a whole. The Board oversees performance and reward issues on a top down basis. The Remuneration Committee ("RemCo") of the Standard Chartered Group, comprises of independent directors of Standard Chartered PLC, and undertakes a review of the Group's remuneration practices against both the Prudential Regulation Authority and the Financial Conduct Authority and the Financial Stability Board ("FSB") principles and has confirmed that it believes that SCILL is fully aligned. • **Strong plan governance**: The Standard Chartered Group RemCo and other governance bodies, play a leading role in making reward decisions by providing independent oversight and strong governance with appropriate input from control functions. Business specific reward plan committees serve to formalise the involvement of Risk, Compliance and Human Resources functions in compensation decision-making across the Group. • **Performance and reward decisions for the control functions** (including those of Risk, Compliance, HR and Legal) are determined independent of the business; and control functions do not participate in any business specific performance plans. • **The Standard Chartered Group already uses risk-adjusted profit** as the funding driver for the Group's variable compensation spends, and this measure is used to develop pools in the respective businesses. Specifically, variable compensation is funded through a Risk Capital Adjusted Profit ("RCAP") performance metric. RCAP is, by its very nature, a conservative measure as it uses the higher of actual and expected losses as well as the higher of Regulatory Capital and Economic Capital in calculating Equity Credit and Capital Charges. • It is important to note that, although pools are funded as a percentage of a risk adjusted performance, individual performance awards are not determined formulaically. For example, all employees in Global Markets are in the same incentive pool in order to ensure that appropriate team behaviours are encouraged. • The Group has had a Bank-wide performance award (bonus) **deferral framework** since 2008 which is applied for <u>all employees</u> irrespective of business and location. All employees with a discretionary performance award above a

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. *

	threshold received a proportion of their award in restricted shares to emphasise the importance of longer term Group performance. • A portion of the total variable compensation of senior management is delivered in the form of **performance shares** which only vest after three years subject to the future satisfaction of performance measures like Earnings Per Share ("EPS") and a risk aligned performance test in the form of a return on risk weighted assets ("RoRWA"). • The Group originally adopted a **claw-back policy** in November 2009 to ensure alignment with the FSA's guidelines and this is reviewed annually. The Group claw-back policy reserves the right to claw-back any deferred award (cash, restricted shares or performance shares) in exceptional circumstances such as a material restatement of Group financials or a significant failure in risk management or for example if the employee has exhibited inappropriate values or behaviours. The Group continues to review its remuneration practices in response to both emerging best practice and market developments globally. In respect of the remuneration payable to the Managing Director & CEO of SCILL , apart from Group Remuneration Policy, provisions of the section 197 of the Companies act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 shall also be complied with. As per the provisions of the Companies Act, 2013, the Independent director shall not be entitled to stock options and may receive remuneration by way of sitting fees within the limits as permitted by the Rules pursuant to the Companies Act, 2013 for attending the meetings of the Board and the Committees. **6. <u>How does SCILL ensure the following</u>:** a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the directors of the quality required to run the company successfully; b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and c. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The commitment of the SCILL to its employees is to develop them, recognise their contribution and reward their success. SCILL's performance and reward philosophy and principles are those derived from that followed by the Standard Chartered Group and guide the design and operation of our programmes which support our business strategy and reinforce our values. Through the reward practices, employees should be motivated to focus on business and personal objectives, deliver and sustain outstanding performance and act in-line with the Bank's values. We have a very competitive set of reward components and use a Total Reward approach to

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

<table>
<tr><td></td><td>
bring these components together
To deliver this philosophy and principles SCILL uses a Total Reward approach. This takes into account the totality of the relationship between the Group and its individual employees. It recognises that, while the financial dimension is vital, the relationship has other elements that also contribute to an outstanding employment experience. Total Reward encompasses both tangible elements of reward, such as pay and benefits, as well as intangible elements of reward such as learning and development and the work environment
All employees' base salaries are reviewed annually. The Group policy for employees, including Executive Directors, is that base salaries are set to take account of market salaries as well as the performance of the individual. Increases are, therefore, made on a person-by-person or job-by-job basis. Where collective bargaining agreements exist, these are taken into account. Excellent performance by both Group and individuals is rewarded with higher annual performance awards (cash and deferred elements) and, for senior managers, the delivery of performance share awards.
The typical level of target variable compensation (i.e. cash and share awards) increases the more senior the executive is. Furthermore, the balance of shares to cash increases with seniority
In addition, employees are:

eligible to participate in the Group's all-employee Sharesave scheme; and
receive core benefits based on local regulations and competitive practice, which normally include retirement benefits, medical insurance, life assurance and annual leave

Employees are required to agree both performance and values objectives at the beginning of each year with their manager, detailing stretching performance objectives with clear measures and targets. As part of this process, employees are required to document how they will demonstrate the Standard Chartered Group's values in their everyday working lives.
The Standard Chartered Group is also continuing its efforts to differentiate further reward for performance:

Consistently follow a total reward strategy that supports a high performance culture and disproportionally rewards high performers who add the greatest value to the business; and
Extract greater value from the Group's investment in rewards and other benefits by developing a total compensation approach and effectively communicating its benefits to employees, in-line with best in class practice.

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<tr><td>Reporting Requirements</td><td>

This policy shall be attached and disclosed as part of the Board's Report.
Remuneration paid to Directors and Key Managerial Personnel shall be reported in the Annual Return as on close of a financial

</td></tr>
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STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

	year.
Other Related Documents	1. Schedule IV of the Companies Act, 2013
Definitions under the Companies Act, 2013	2. Section 2 (18): "Chief Executive Officer" means an officer of a company, who has been designated as such by it. 3. Section 2 (19): "Chief Financial Officer" means a person appointed as the Chief Financial Officer of a company. 4. Section 2 (24): "company secretary" or "secretary" means a company secretary as defined in clause (c) of sub-section (1) of section 2 of the Company Secretaries Act, 1980 who is appointed by a company to perform the functions of a company secretary under this Act. 5. Section 2 (34): "director" means a director appointed to the Board of a company. 6. Section 2 (51): "key managerial personnel", in relation to a company, means— (i) the Chief Executive Officer or the managing director or the manager;(ii) the company secretary; (iii) the whole-time director; (iv) the Chief Financial Officer; and (v) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and (vi) such other officer as may be prescribed] 7. Section 2 (53): "manager" means an individual who, subject to the superintendence, control and direction of the Board of Directors, has the management of the whole, or substantially the whole, of the affairs of a company, and includes a director or any other person occupying the position of a manager, by whatever name called, whether under a contract of service or not. 8. Section 2 (54): "managing director" means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called. 9. Section 2 (78): "remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961. 10. Section 2 (94): "whole-time director" includes a director in the whole-time employment of the company; 10. Senior Management – As per the explanation given under section 178 of the Companies Act 2013, Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. *

Policy Owner (name & title)	Board of SCILL. Head – Human Resources, SCILL and Company Secretary, SCILL would be responsible for carrying out changes in the Policy document as may be recommended by the Nomination and Remuneration Committee from time to time.
Approving Authority	SCILL Board

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

ANNEXURE V TO THE DIRECTOR'S REPORT

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED

FORM NO. AOC – 2 (for FY 2019-2020)

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

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

Sl. No.	Name of the related party and nature of relationship (a)	Nature of contracts / arrangements / transactions (b)	Duration of contracts / arrangements / transactions (c)	Salient features of contracts / arrangements / transactions, including value, if any (d)	Justification for entering into such contracts / arrangements / transactions (e)	Date(s) of approval by the Board (f)	Amount paid as advances, if any (g)	Date on which special resolution was passed in General meeting u/s 188(1) (h)
None								

On behalf of the Board of Directors,

Zarin Daruwala
Director
(DIN 00034655)

Prashant Kumar
MD & CEO
(DIN 08584379)

Place: Mumbai
Date: June 15, 2020

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

FORM NO. AOC – 2 continued (for FY 2019-2020)

Details of material contracts or arrangements or transactions at arm's length basis:[1]

Sl. No.	Name of the related party and nature of relationship (a)	Nature of contracts / arrangements / transactions (b)	Duration of contracts / arrangements / transactions (c)	Salient features of contracts / arrangements / transactions, including value, if any (d)	Justification for entering into such contracts / arrangements / transactions (e)	Date(s) of approval by the Board (f)	Amount paid as advances, if any (g)	Date on which special resolution was passed in General meeting u/s 188(1) (h)
1.	Standard Chartered Global Business Services Pvt. Ltd. (erstwhile Scope International Pvt. Ltd.) Subsidiary of same parent	Global People Services – HR Backend support	June 01, 2018 to October 31, 2019 (Extension for 2 months)	Global Business Services provides HR backend support to Employees, Leavers/ Retirees, Vendors Upto INR 15,00,000/- (exclusive of taxes) (Recharge rate per FTE per annum is USD-21240)	Optimum utilisation of services being offered by Group Company at arm's length pricing	May 16, 2019 Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was not required.	Nil	Not required
2.	Standard Chartered (India) Modeling and Analytics Centre	Sale of Equity Shares	One time	Sale of Equity Shares of Standard Chartered (India) Modeling	Sale of Equity shares to Group Company at arm's	May 16, 2019 Audit Committee approved as	Nil	Not required

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

	Private Limited Subsidiary of same parent co.			and Analytics Centre Private Limited As per the external valuation report – Total sale considera tion Rs. 354.4 mn (Rs. 27.26 per share)	length pricing	both in ordinary course and at arm's length, hence Board approva l was not required .		
3.	Standard Chartered Finance Private Limited Subsidiary of same parent co.	Sale of Equity Shares	One time	Sale of Equity Shares of Standard Chartere d Finance Private Limited As per the external valuation report – Total sale considera tion Rs. 155.5 mn (Rs. 140.18 per share)	Sale of Equity shares to Group Compan y at arm's length pricing	May 16, 2019 Audit Commit tee approve d as both in ordinary course and at arm's length, hence Board approva l was not required .	Nil	Not required
4.	Standard Chartered Bank, UK Holding Company	Share based payments	Ongoing	Reimburs ement of share based payment Total share based payment	Reimbur sement of Group cost at arm's length pricing	May 16, 2019 Audit Commit tee approve d as both in ordinary course and at	Nil	Not required

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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				is Rs. 22.79 mn		arm's length, hence Board approval was not required.		
5.	Standard Chartered Global Business Services Pvt. Ltd. Subsidiary of same parent co.	Global People Services – HR Backend support	November 01, 2019 to October 31, 2022	Global Business Services provides HR backend support to Employees, Leavers/ Retirees, Vendors Upto INR 15,00,000/- (exclusive of taxes) (Recharge rate per FTE per annum is USD-21240)	Optimum utilisation of services available with the Group Company at arm's length pricing	September 11, 2019 Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was not required.	Nil	Not required
6.	Standard Chartered Global Business Services Pvt. Ltd. Subsidiary of same parent co	Service Level agreement	June 01, 2019 to March 31, 2020	Financial Reporting, Financial Control and Management Reporting, Accounts payable processing	Optimum utilisation of services available with the Group Company at arm's length pricing	September 11, 2019 Audit Committee approved as both in ordinary course and at arm's length, hence Board	Nil	Not required

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

				Up to INR 9,000,000/-. (exclusive of taxes)		approval was not required.		
7.	Standard Chartered Securities (India) Limited (SCSI) Subsidiary of same parent co.	Agreement for office space at New Delhi	May 16, 2019 to June 30, 2019	Premises on rent As per break up appended below Rental Period is 16/05/2019 to 30/06/2019 Rent per Sq.ft is 201.91 Rent per month is 41594 Property Service Charges are Rs. 21,630/- /at the rate of Rs.105 per sq.ft per month)	Optimum utilisation of space available with the Group Company at arm's length pricing	September 11, 2019 Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was not required.	Nil	Not required
8.	Standard Chartered Securities (India) Limited (SCSI) Subsidiary of same	Agreement for office space at New Delhi	July 01, 2019 to May 15, 2021	Premises on rent As per break up appended below For Period 01/07/2019 to	Optimum utilisation of space available with the Group Company at arm's length	September 11, 2019 Audit Committee approved as both in ordinary course	Nil	Not required

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	parent co.			15/05/2020 Rent per Sq.ft is 201.91 Rent per month is 173039 For Period 16/05/2020 to 15/05/2021 Rent per Sq.ft is 212.00 Rent per month is 181691 Property Service Charges are Rs. 89,985/- /at the rate of Rs.105 per sq.ft per month)	pricing	and at arm's length, hence Board approval was not required.		
9.	Standard Chartered Securities (India) Limited (SCSI) Subsidiary of same parent co.	Agreement to acquire assets for Ahmedabad Branch	One-time contract	Premises on rent Up to INR 62,631/-. (exclusive of taxes)	Optimum utilisation of space available with the Group Company at arm's length pricing	November 13, 2019 Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was	Nil	Not required

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

						not required.		
10.	Standard Chartered Bank, India Branch Subsidiary of same parent co.	Agreement for office space at 6th Floor, Crescenzo, BKC, Bandra Mumbai	October 25, 2019 to April 24, 2020	Premises on rent As per break up appended below Rental Period is 25/10/2019 to 24/04/2020 Rent per Sq. ft is 225 Rent per month is 728550 Property Service Charges are Rs. 270,697/- (at the rate of Rs.83.60 per sq. ft per month)	Optimum utilisation of space available with the Group Company at arm's length pricing	November 13, 2019 Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was not required.	Nil	Not required
11.	Standard Chartered Finance Private Limited Subsidiary of same Parent co.	To raise Inter-Corporate Deposits (ICDs)	Each tranche tenors varying from 3 months to 18 months	To accept Inter group corporate deposits Up to INR 100crs (in multiple tranches)	Inter-Corporate Deposits placed with the Group Company at arm's length pricing	January 09, 2020, Audit Committee approved as both in ordinary course and at arm's length, hence	Nil	Not required

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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						Board approval was not required.		
12.	Standard Chartered (India) Modeling and Analytics Centre Private Limited Subsidiary of same Parent co.	To raise Inter-Corporate Deposits (ICDs)	Each tranche tenors varying from 3 months to 18 months	To accept Inter group corporate deposits Up to INR 100crs (in multiple tranches)	Inter-Corporate Deposits placed with the Group Company at arm's length pricing	January 09, 2020, Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was not required.	Nil	Not required
13.	Standard Chartered Global Business Services Pvt. Ltd. (erstwhile Scope International Pvt. Ltd.) Subsidiary of same parent co.	Service Level agreement	April 01, 2020 to March 31, 2021	Financial Reporting, Financial Control and Management Reporting, Accounts payable processing As per the recharge methodology – Cost plus mark up	Optimum utilisation of services available with the Group Company at arm's length pricing	March 03, 2020, Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was not required.	Nil	Not required

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

14.	Standard Chartered Bank – India Branch Subsidiary of same Parent co.	Cost allocation agreement	April 01, 2020 to March 31, 2022	Support from common functions like HR, Tax, IT, IMO - CRC, CRES, TRM,TR, IMO - LDU, GSAM Cost allocation will be based on revenue of the Company for all the support functions mentioned in the agreement	Optimum utilisation of services available with the Group Company at arm's length pricing	March 03, 2020, Audit Committee approved as both in ordinary course and at arm's length, hence Board approval was not required.	Nil	Not required

[1] All Related party transactions as presented and approved /discussed by Audit / Board are given above.

On behalf of the Board of Directors,

Zarin Daruwala
Director
(DIN 00034655)

Prashant Kumar
MD & CEO
(DIN 08584379)

Place: Mumbai
Date: June 15, 2020

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited

Standalone Financial Statements together with the auditors' report for the year ended March 31, 2020

Standard Chartered Investments and Loans (India) Limited

Standalone Financial statements together with auditors' report

for the year ended March 31, 2020

Contents

Deloitte
Haskins & Sells

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INDEPENDENT AUDITORS' REPORT

To The Members of Standard Chartered Investments and Loans (India) Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Standard Chartered Investments and Loans (India) Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 45 to the Standalone Financial Statements, which fully describes that the Company has recognised impairment on financial assets to reflect the adverse business impact and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditors' Response
Identification of and provisioning for expected credit loss (ECL) on loans in accordance with the Company's policy (Refer Note 6 and 30.1. to the financial statements) As at the year end, the Company has financial assets in form of loans granted to customers Rs. 2,057,54 lacs net of provision for expected credit loss (ECL) of Rs. 2,271 lacs. Classifying the loans portfolio into the various stages in accordance with Ind AS 109 Financial Instruments including Identification of credit impaired loans and provisioning for loans is a key audit matter as the current processes at the Company involves manual interventions, significant management estimates and judgements and due to the level of regulatory and other stakeholders focus. The most significant judgements are: • Timely identification and classification of the loans which also include considering the impact of recent Reserve Bank of India's (RBI) COVID-19 regulatory circulars. • Determining the probability of defaults based on comparative external ratings and estimation of loss given defaults based on the value of collaterals and relevant factors. • Inputs and Judgements used in determination of management overlay at various asset stages	**Principal audit procedures:** • We have evaluated and understood the internal control system over credit appraisal, system set-up, and recognition of interest income, disbursement, repayment, overdue monitoring and provisioning. • We have read the Board approved policy for computation of Expected Credit Losses that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures and the parameters and assumptions considered. • We have understood the IT systems/ applications used and tested the design, implementation and operating effectiveness of relevant controls in relation to determination of Days past due for loans and tested the completeness and accuracy of the Days Past Due (DPD) reports. • We verified the appropriateness of the Company's determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages based on verification of DPD reports/ Early Alert reports and other monitoring reports that are submitted to Credit committee for monitoring and evaluation. We have read the minutes of the Credit Committee meetings held during the year and discussions held on specific cases and tested the reports discussed in the Credit committee for assessing the sufficiency and reasonability of Management's judgements involved in classifying the loans under various stages. • We verified the computation of ECL including various parameters used in the computation of ECL viz. Probability of Default (PD), Loss Given Default (LGD) by examination of the rates used from the source documents being CRISIL Default Study report/ RBI Circular as applicable including Management's assessment of current uncertain

considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the COVID-19 Pandemic. • Further the disclosures made in financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL. Refer note 30.1 to the financial statements Accordingly, our audit was focused on identification of and provisioning for ECL on loans and related disclosures due to the materiality of the balances and associated provision.	economic environment arising out of COVID 19 pandemic and its impact on the staging of loans and provisioning. • We have evaluated the past trends of Management judgement, governance process and review controls over ECL calculations including minutes of the Audit Committee meetings / board Meetings and discussed the impairment provisions made with senior management including Chief Financial Officer and Chief Risk Officer. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 Financial Instruments: Disclosures in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Information Other than the Financial Statements and Auditors' Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises of the Directors Report (including annexures), but does not include the standalone financial statements and our auditors' report thereon.

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

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

- If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Section 143(3) of the Act, based on our audit 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.

DELOITTE HASKINS & SELLS

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

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, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the limits laid down under section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' 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 standalone 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, required to be transferred, to the Investor Education and Protection Fund by the Company.

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)
UDIN: 20105035AAAADN8735

Place: Mumbai
Date: June 15, 2020

Deloitte
Haskins & Sells

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **Standard Chartered Investments and Loans (India) Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 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 and other applicable regulations. 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 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.

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.

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 criteria for internal financial control over financial reporting 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 **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

Place: Mumbai
Date: June 15, 2020

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets are not physically verified during the year. As per the Management the physical verification shall be conducted once the offices are fully operational post lockdown and accordingly the Management's regular plan of yearly physical verification is amended to that extent. The regular programme of verification considering this amendment, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

(ii) The Company does not have any inventory and hence reporting under clause 3(ii) of the Companies (Auditor's Report) Order, 2016 ("the CARO 2016") is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. The Company being a non-banking finance company, nothing contained in Section 186 of the Act, except sub-section (1), shall apply.

(v) According to the information and explanations given to us, the Company has not accepted any deposit during the year and hence directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder are not applicable.

(vi) Having regard to the nature of the Company's business / activities, reporting under clause 3(vi) of the CARO 2016, with respect to maintenance of cost records under Section 148(1) of the Act is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Goods and Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.

We are informed that the provisions of Employee State Insurance, Custom Duty, and Excise duty is not applicable.

(b) There were no undisputed amounts payable in respect of Provident Fund, Income-tax, Goods and Service Tax, cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax which have not been deposited as on March 31, 2020 on account of disputes are given below:

Name of Statute	**Nature of Dues**	**Forum where Dispute is Pending**	**Period to which the Amount Relates**	**Amount Involved (Rs. in lacs)**	**Amount Unpaid (Rs. in lacs)**
Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	AY 2005-06	10	10
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax Appeal	AY 2010-11	120	120
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax Appeal	AY 2011-12	3	3
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax Appeal	AY 2012-13	99	99
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax Appeal	AY 2013-14	104	104
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax Appeal	AY 2014-15	73	73

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The Company has raised term loans which have been applied during the year for the purposes for which they were raised.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite mandated by provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the CARO 2016 is not applicable.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable.

(xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

Place: Mumbai
Date: June 15, 2020

Standard Chartered Investments and Loans (India) Limited
Standalone Balance Sheet

CIN: U65990MH2003PLC142829 (INR Lacs)

Particulars	Note No.		
Assets		**As at March 31, 2020**	**As at March 31, 2019**
Financial Assets			
Cash and cash equivalents	4	18,652	18,925
Receivables: Trade Receivables	5	69	235
Loans	6	205,754	184,723
Investments	7	11,468	14,808
Other Financial assets	8	1,144	106
Non-financial Assets			
Current Tax Assets	9	11,318	15,204
Deferred Tax Assets (Net)	10	837	460
Property, Plant and Equipment	11	442	313
Capital work-in-progress		366	650
Other Intangible Assets	12	381	368
Other non-financial assets	13	134	194
Total assets		**250,565**	**235,986**
Liabilities and Equity		**As on March 31, 2020**	**As on March 31, 2019**
Liabilities			
Financial Liabilities			
Payables	14		
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Debt securities	15	117,742	127,338
Borrowings	16	30,938	19,500
Deposits	17	4,900	-
Other financial liabilities	18	2,151	2,100
Non-financial liabilities			
Current tax liabilities	9	3,229	3,229
Provisions	19	324	203
Deferred tax liabilities (Net)	10	-	-
Other non-financial liabilities	20	158	207
Total liabilities		**159,442**	**152,577**
Equity			
Equity share capital	21	45,439	45,439
Other equity		45,684	37,970
Total equity		**91,123**	**83,409**
Total liabilities and equity		**250,565**	**235,986**

The accompanying notes 1 to 50 are an integral part of the financial statements.

As per our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of Standard Chartered Investments and Loans (India) Limited

Zarin Daruwala
Director
DIN No: 00034655

Prashant Kumar
MD & CEO
DIN No: 08584379

Priya Ranjit
COO & CFO
ACA: 117771

Saket Maheshwari
Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
Standalone Statement of Profit and Loss

CIN: U65990MH2003PLC142829 **(INR Lacs)**

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations			
Interest Income	22	25,883	12,484
Fee Income		696	1,219
Total Revenue from operations		26,579	13,703
Other Income	23	439	1,614
Total Income		27,018	15,317
Expenses			
Finance Costs	24	14,304	5,386
Impairment losses on financial instruments	25	1,297	254
Employee benefits	26	1,647	1,756
Depreciation and amortisation expense	27	506	383
Other expenses	28	953	1,273
Total Expenses		18,707	9,052
Profit before exceptional items and tax		8,311	6,265
Exceptional Items (Refer Note 44)		1,773	-
Profit before tax		10,084	6,265
Tax Expense:			
(1) Current Tax		2,739	1,006
(2) Deferred Tax		(378)	861
		2,361	1,867
Profit after tax for the year		7,723	4,398
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(12)	(18)
Equity Instruments through Other Comprehensive Income		0	(22)
(ii) Income tax relating to items that will not be reclassified to profit or loss		3	5
Other Comprehensive Income		(9)	(35)
Total Comprehensive Income for the year		7,714	4,363
Earnings per equity share			
Basic (INR)	33	1.70	0.97
Diluted (INR)		1.70	0.97

The accompanying notes 1 to 50 are an integral part of the financial statements.

As per our report attached.

***For* Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of
Standard Chartered Investments and Loans (India) Limited

Zarin Daruwala
Director
DIN No: 00034655

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MD & CEO
DIN No: 08584379

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COO & CFO
ACA: 117771

Saket Maheshwari
Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. *

Standard Chartered Investments and Loans (India) Limited
Standalone Statement of Changes in Equity for the year ended March 31, 2020

CIN: U65990MH2003PLC142829

Equity Share Capital (INR Lacs)

Particulars	Amount
Balance at March 31, 2018	**45,439**
Changes in equity share capital during the year	-
Balance at March 31, 2019	**45,439**
Changes in equity share capital during the year	-
Balance at March 31, 2020	**45,439**

Other Equity

Particulars	Reserves and Surplus		Equity Instruments through OCI	Other items of OCI	Total
	Statutory Reserve	Retained Earnings			
Balance as at March 31, 2018	**9,761**	**25,997**	**1,548**	**(4)**	**37,302**
Profit for the year after income tax	-	4,398	-	-	**4,398**
Dividend paid including dividend distribution tax	-	(3,695)	-	-	**(3,695)**
Transfer to/from retained earnings*	880	(880)	-	-	-
Transfer on sale of equity instrument through OCI	-	-	-	-	-
Other Comprehensive Income for the year before income tax	-	-	(22)	(18)	**(40)**
Less: Income Tax on Other Comprehensive Income	-	-	-	5	**5**
Balance as at March 31, 2019	**10,641**	**25,820**	**1,526**	**(17)**	**37,970**
Profit for the year after income tax		7,723			**7,723**
Transfer to/from retained earnings*	1,551	(1,551)	-	-	-
Transfer on sale of equity instrument through OCI		1,526	(1,526)		
Other Comprehensive Income for the year before income tax	-	-	-	(12)	**(12)**
Less: Income Tax on Other Comprehensive Income	-	-	-	3	**3**
Balance as at March 31, 2020	**12,192**	**33,518**	-	**(26)**	**45,684**

*In terms of Section 45-IC of the RBI Act 1949, Company is required to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year.

The accompanying notes 1 to 50 are an integral part of the financial statements.

As per our report attached.

***For* Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of
Standard Chartered Investments and Loans (India) Limited

Zarin Daruwala
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Saket Maheshwari
Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investment and Loans (India) Limited
Standalone Statement of Cash Flows

CIN: U65990MH2003PLC142829 **(INR in Lacs)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit before tax	10,084	6,265
Adjustments for:		
Goods & Service Tax written off / (back) (net)	(38)	-
Dividend income	(177)	(168)
Profit on sale of Associate	(1,773)	-
Net gain or loss on foreign currency transaction	-	63
Provision for Employee Benefits	66	159
Interest on Fixed Deposits	(254)	(294)
Accrued Interest on Investments	30	(46)
Interest on Debt Securities	10,935	4,743
Impairment on financial instruments (Net)	1,297	254
Depreciation and amortisation expenses	506	383
	20,676	**11,359**
Working capital changes:		
(Increase)/decrease in trade receivables	166	(235)
(Increase)/decrease in Loans	(22,227)	(67,817)
Increase/ (Decrease) in other financial & non financial liabilities	(1,021)	112
Increase/(Decrease) in other financial assets	(36)	(151)
Increase/(Decrease) in other non- financial assets	60	-
Net cash flows from operations	**(2,382)**	**(56,732)**
Income taxes(paid)/ refund	1,147	(2,914)
Net cash flows from/(used in) operating activities	**(1,235)**	**(59,646)**
Cash flows from investing activities		
Interest received on Fixed deposits	260	296
Proceeds on sale of investment in Associate held at amortised cost	3,544	-
Proceeds on sale of investment held at FVTOCI	1,555	-
Investments in Debt Securities	-	(11,546)
Dividends received	177	168
Payments for Property, plant and equipment	(15)	(114)
Payments for Capital work in progress	0	(650)
Payments for intangible assets	(136)	(147)
Net cash flows from/(used in) investing activities	**5,385**	**(11,993)**
Cash flows from financing activities		
Dividend paid on Equity Shares	-	(3,695)
Issue of Inter Corporate Deposits	6,400	1,800
Repayment of Inter Corporate Deposits	(1,500)	(2,200)
Proceeds from Issue of Non Convertible Debentures	15,000	-
Proceeds from Issue of Commercial Papers	297,469	242,225
Repayment of Commercial Papers	(333,000)	(172,500)

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
Standalone Statement of Cash Flows

CIN: U65990MH2003PLC142829

Issue of Borrowings (Working Capital Loans)	71,000	19,500
Repayment of Borrowings (Working Capital Loans)	(59,738)	-
Lease rental paid (finance charge on lease rentals)	(54)	-
Net cash flows from/(used in) financing activities	**(4,423)**	**85,130**
Net increase in cash and cash equivalents	**(273)**	**13,491**
Cash and cash equivalents at the beginning of the year	18,925	5,434
Cash and cash equivalents at the end of the year	**18,652**	**18,925**

The accompanying notes 1 to 50 are an integral part of the financial statements.

As per our report attached.

***For* Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of
Standard Chartered Investments and Loans (India) Limited

Zarin Daruwala
Director
DIN No: 00034655

Prashant Kumar
MD & CEO
DIN No: 08584379

Priya Ranjit
COO & CFO
ACA: 117771

Saket Maheshwari
Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
Notes to the Standalone financial statements

for the year ended March 31, 2020
(INR Lacs)

1. Corporate Information

Standard Chartered Investments and Loans (India) Limited ('the Company') was incorporated under the Companies Act, 1956 on October 22, 2003. The Company was issued a registration certificate dated February 14, 2004, by the Reserve Bank of India ('RBI') to act as a Category B Non – Banking Financial Company ('NBFC') not accepting public deposits. The entire share capital of the Company is held by Standard Chartered Bank, United Kingdom and its nominees. The activities of the Company involve lending and investments.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The Company had prepared its financial statements in accordance with the historical cost convention on the accrual basis of accounting, unless as otherwise stated, and complied Indian Accounting standard (Ind AS) notified under section 133 of the Companies Act, 2013 as applicable, read together with companies (Indian accounting standard) rules, 2015 and the relevant provisions of the Companies Act, 2013, and the guidelines issued by the RBI in respect of NBFCs ('RBI guidelines'), as adopted consistently by the Company to the extent applicable.

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

2.2 Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities, as on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Recognition of interest income

2.3.1 Effective interest rate

Under Ind AS 109 'Financial Instruments' interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at Fair value through other comprehensive income. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

2.4 *Financial Instruments*

2.4.1 Recognition and Initial measurement of financial instruments

Financial assets and liabilities, with the exception of loans, debt securities, inter - corporate deposits and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Company recognises debt securities, inter - corporate deposits and borrowings when funds reach the Company.

Financial assets and financial liabilities are initially measured at fair value/transaction price. Subsequent measurement of the financial assets and financial liabilities is dependent on their classification.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair values through profit and loss (FVTPL)) are added to or deducted from their respective fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account those characteristics of the asset or liability which a market participants would take into account when pricing the asset or liability. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Refer note 2.5.5 below for more details on fair value hierarchy.

2.4.2 Classification and subsequent measurement of financial assets and liabilities

All recognised financial assets that are within the scope of Ind AS 109 are subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

a) Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;

b) Debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI, are subsequently measured at FVTOCI;

c) All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

The Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset by-asset basis: the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in Other Comprehensive Income.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Company measures Bank balance, Loans, Trade receivables, Investments and other financial instruments at amortised cost if both of the following conditions are met.

a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

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

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

In assessing whether the contractual cash flows have SPPI characteristics, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

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.

2.5 Financial assets and liabilities

2.5.1 Financial assets held at amortised cost and fair value through other comprehensive income

Debt instruments held at amortised cost have contractual terms that give rise to cash flows that are solely payments of principal and interest (SPPI characteristics). Principal is the fair value of the financial asset at initial recognition but this may change over the life of the instrument as amounts are repaid. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs, as well as a profit margin.

2.5.2 Equity instruments designated as held at FVOCI

Non-trading equity instruments acquired for strategic purposes rather than capital gain may be irrevocably designated at initial recognition as held at FVOCI on an instrument by instrument basis. Dividends received are recognised in profit or loss. Gains and losses arising from changes in the fair value of these instruments, including foreign exchange gains and losses, are recognised directly in equity and are never reclassified to Statement of Profit and Loss even on derecognition.

2.5.3 Financial assets and liabilities held at 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.

2.5.4 Financial liabilities including Debt securities held at amortised cost

Financial liabilities that are not financial guarantees or loan commitments and that are not classified as financial liabilities held at fair value through profit or loss are classified as financial liabilities held at amortised cost.

2.5.5 Determination of Fair value of financial assets and liabilities

The fair values of quoted financial assets and liabilities in active markets are based on current prices. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If the market for a financial instrument, and for unlisted securities, is not active, the Company establishes fair value by using valuation techniques and judgements ranging from determining comparable companies to discount rates e.g. Discounted Cash Flow (DCF).

The company classifies assets and liabilities carried at fair value or for which fair values are disclosed into three levels according to the observability of the significant inputs used to determine the fair values.

Fair value Hierarchy

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

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

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

There has been no transfer between level 1, level 2 and level 3 for any of the years reported in these financial statements.

2.5.6 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of expected credit loss requirements.

2.6 De-recognition of financial assets and liabilities

A financial asset is derecognised when the rights to receive cashflows from the financial assets have expired.

The Company also derecognises a financial asset such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or originated credit impaired financial asset (POCI).

2.7 Impairment of financial assets

The calculation of credit impairment provisions involves expert credit judgement applied by the credit risk management team based on credit rating agencies benchmarks, counterparty information from various sources including relationship managers and external market information.

2.7.1 Expected credit losses

Expected credit losses are determined for all financial debt instruments that are classified at amortised cost or fair value through other comprehensive income, undrawn commitments and financial guarantees.

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

2.7.2 Measurement

For Corporate loan portfolios, the estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD). The Company has adopted approach of estimating PDs based on CRISIL rated Corporate Depositary Receipts for BBB rated customers as external benchmark and also takes into account forward looking information. The credit risk assessment is based on a standardized LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held and also takes into account forward looking information.

The Loans against Shares (LAS) portfolio, is extended on the basis of a collateral cushion (i.e. the difference between the exposure of the facility and the market value of the collateral). The value of the collateral is updated and monitored daily, and any decrease in the collateral cushion below a specified threshold leads to a grace period (in which the customer is asked to top up the security), followed by the liquidation of sufficient collateral to restore the cushion. There are different thresholds for different security types in line with RBI policy for Equity/Equity MF/ Debt Funds. The credit line of each exposure is reviewed annually. Due to the high level of collateral, the exposures are at a very low risk, with no historical loss experience. These have been appropriately factored for the purpose of ECL.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the Company is exposed to credit risk.

The Company applies a simplified approach for trade receivables. It recognizes impairment loss allowance based on lifetime expected credit losses (ECLs) at each reporting date, right from its initial recognition. The Company exercises its judgement and based on past history of recovery, creditworthiness of its counter party and existing market conditions to estimate the lifetime expected loss for the Trade receivables.

2.7.3 Recognition

Stage 1- 12 months expected credit loss.

Expected credit losses are recognised at the time of initial recognition of a financial instrument and represent the lifetime cash shortfalls arising from possible default events up to 12 months into the future from the balance sheet date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit-impaired. If an instrument is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

Stage 2- Significant increase in credit risk (SICR)

SICR is assessed by comparing the risk of default at the reporting date to the risk of default at origination. Whether a change in the risk of default is significant or not is assessed using quantitative and qualitative criteria.

a) Quantitative criteria: Across all portfolios, accounts that are 30 or more days past due (DPD) on contractual payments of principal and/or interest are considered to have experienced a significant increase in credit risk.

b) Qualitative criteria: Qualitative factors that indicate that there has been a significant increase in credit risk include processes linked to current risk management, such as placing loans on non-purely precautionary early alert.

c) For Corporate clients: All assets of clients that have been placed on early alert (for non-purely precautionary reasons) are deemed to have experienced a significant increase in credit risk. An account is placed on non-purely precautionary early alert if it exhibits risk or potential weaknesses of a material nature requiring closer monitoring, supervision or attention by management. Weaknesses in such a borrower's account, if left uncorrected, could result in deterioration of repayment prospects and the likelihood of being downgraded.

   Indicators could include a rapid erosion of position within the industry, concerns over management's ability to manage operations, weak/deteriorating operating results, liquidity strain and overdue balances among other factors. All client assets that have been assigned a CG12 rating, equivalent to 'higher risk', are deemed to have experienced a significant increase in credit risk.

d) For Retail and Private Banking clients, significant increase in credit risk is assessed by referencing the nature and the level of collateral against which credit is extended.

Stage 3 - Credit-impaired (or defaulted) exposures

Financial assets that are credit-impaired (or in default) represent those that are 90 days past due in respect of principal and/or interest.

In determining significant increase in credit risk of loan assets and also in determining default of loan assets as at the reporting period, the special dispensation granted to identified loan assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) have been applied by the Company.

2.8 *Collateral valuation*

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral consists of cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and others. Collateral, unless repossessed, is not recorded on the Company's Balance Sheet. However, the fair value of collateral affects the calculation of ECL.

The Company calculates ECL either on a collective or an individual basis.

Asset classes where the Company calculates ECL on an individual basis include all Stage 3 assets, regardless of the class of financial assets.

For Stage 1 & Stage 2 assets, the Company calculates ECL on a collective assessment on the principles laid down in the Note 2.7.2 above.

2.9 *Write-offs*

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it).

2.10 *Foreign currency transactions*

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of ex-change ruling at the date of the transaction.

Assets and Liabilities of the Company are presented in INR which is also the functional currency of the Company.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences arising on non-trading activities are taken to other income/expense in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.11 *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 the 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 are recognised as a Rent expenses in the statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

2.12 Recognition of income and expense

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

Fees and commissions charged for services provided or received by the Company are recognised on an accrual basis when the service has been provided or significant act performed.

Loan syndication fees are recognised as revenue when the syndication has been completed and the Company retained no part of the loan package for itself, or retained a part at the same effective interest rate as for the other participants.

2.13 Discount and issue expenses

Discount on commercial paper issued is amortised on a constant effective yield basis over the tenure of the instrument. Debt issue expenses include stamp duty and fees paid to credit rating agencies relating to the issue of commercial paper, which are accounted for as follows:

a) Stamp duty expenses are amortised on a straight-line basis over the life of the instrument.
b) Fees paid to credit rating agencies are amortised on a straight-line basis over the period for which the instrument has been rated.

2.14 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash balances with banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.15 Property, plant and equipment (PPE)

PPE are carried at cost of acquisition less accumulated depreciation and impairments, if any. Acquisition cost includes all expenses incidental to the acquisition of the PPE and any attributable cost of bringing the asset to its working condition for its intended use.

From the current year Individual PPE costing less than INR 50,000 are not capitalised, these are expensed out in the year of purchase.

Depreciation is provided on straight-line method over estimated useful life of the asset, as per the management's internal assessment, subject to minimum useful life prescribed under the Companies Act, 2013. On disposal of fixed assets, the profit or loss is calculated as the difference between net sales proceeds and the net carrying amount as on the date of sale. The depreciation rates are as follows:

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

(INR Lacs)

PPE	Rate of Depreciation
Computer hardware	33.33%
Office equipment	20%
Furniture and fittings	20%
Premises	2%

2.16 Intangible Assets

Intangible assets (computer software) are capitalised based on the cost incurred to acquire and put to use. These costs are amortised over the expected useful lives, subject to a maximum of three years.

2.17 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists the Company estimates the assets recoverable amount i.e. fair value less costs of disposal and its value in use.

2.18 Employee Benefits

2.18.1 Provident Fund

The Company contributes provident fund amount to Regional Provident Fund Commissioner's Office (EPFO) for all its eligible employees. The contributions are accounted for on an accrual basis and recognised in the Statement of Profit and Loss.

2.18.2 Share based payments

Cash-settled share based payment to employees and others providing similar services are measured at fair value at the end of each reporting period.

2.18.3 Gratuity (Unfunded)

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 the present value of the obligation under the defined benefit plan.

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 immediately in Other Comprehensive Income under the Statement of Profit and Loss.

2.19 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, 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.

2.20 Taxes

2.20.1 Current Tax

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 effect of timing differences between accounting income and taxable income for the year).

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.

The recently promulgated Taxation Laws (Amendment) Ordinance 2009 has inserted section 115BAA in the income Tax Act 1961 providing existing domestic companies with an option to pay tax at concessional rate of 22% plus applicable surcharge & cess. The reduced tax rates come with the consequential surrender of specified deductions & incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income tax Act 1961 for assessment year (AY) 20-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs. These financial statements are prepared on the basis that the Company would avail the option to pay income tax at the lower rate

2.20.2 Deferred Tax

Income tax payable on profits is based on the applicable tax law in each jurisdiction and is recognised as an expense in the period in which profits arise. Deferred tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted as at the balance sheet date, and that are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred tax relating to items which are charged or credited directly to equity, is credited or charged directly to equity and is subsequently recognised in the income statement together with the current or deferred gain or loss.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2.20.3 Goods & Services Tax (GST)

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

2.21 Dividend on equity shares

Dividends on ordinary equity shares are recorded in the year in which they are declared and, in respect of the final dividend, have been approved by the shareholders.

The Company recognises a liability to make cash or non-cash distributions to equity holders.

2.22 Segmental reporting

The Company's segmental reporting is in accordance with Ind AS 108 Operating Segments and is reported consistent with the internal performance framework and as it is presented to the Company's Management Team (Board of Directors i.e. the chief operating decision makers). Accordingly, there is one business segment pertaining to lending and ancillary activities and also the business operations are concentrated in India.

2.23 Earnings per share

The basic EPS is computed by dividing the net profit 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 the weighted average number of shares considered for deriving basic earnings per share and 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.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

3. Critical accounting judgements and estimates

3.1 Impairment of financial assets

The provision for expected credit loss involves estimating the probability of default and loss given default based on Company's assessment and experience. The calculation of credit impairment provisions involves expert credit judgement applied by the credit risk management team based on credit rating agencies benchmarks, counterparty information from various sources including relationship managers and external market information. Refer note 2.7.

3.2 Leases

The Company during the year ended March 31, 2020 has adopted Ind AS 116 – "Leases" with effect from April 01, 2019 and applied the modified retrospective approach. Accordingly the lease liability at the present value of remaining lease payments at the date of initial application i.e. April 01, 2019 has been recognised and "Right to use assets" has been recognised at an amount equal to the "Lease liability" as at that date. In the Statement of Profit and Loss for the current period, the nature of expenses in respect of leases has changed from lease rent in previous periods to depreciation cost for "Right to use lease assets" and interest accrued on "Lease liability". The Company has not restated the comparative information in this respect

On applicability of Ind AS 116 from current year and at inception of each contract during the year, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. There is judgement involved in determination of whether the contract is service contract or lease contract, which in turn determines the accounting of the contract. The Company has exercised this judgement based on analysis of terms of the contracts against the provisions / guidelines of the Indian accounting standard (Ind AS) 116.

The Company exercises judgement and estimates the lease term based on its assessment whether it is reasonably certain to exercise an option to extend the lease or exercise an option to purchase an underlying asset or not to exercise an option to terminate the lease. In making these assessments, the Company considers all relevant facts and circumstances that create an economic incentive for it to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company makes this judgement based on the facts and circumstances and business conditions.

For each lease, the Company as a lessee accounts for the lease liability at present value of the lease payments discounted at incremental borrowing rate (IBR). The Company estimates the incremental borrowing rate used for discounting the lease payments based on long term loan borrowing rates adjusted as needed for the term of the contract.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

4. Cash and cash equivalents (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
(a) In Current Accounts	18,652	2,925
(b) Fixed Deposits(Less than 3 months)	-	16,000
Total	**18,652**	**18,925**

5. Trade Receivables (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables		
Unsecured considered good	69	235
Less: Expected credit losses	-	-
Total	**69**	**235**

Note: There are no receivables where there is significant increase in credit risk or are credit impaired.

6. Loans (At Amortised cost) (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Advances		
Term Loans	208,025	186,900
Gross	**208,025**	**186,900**
Less: Impairment loss allowance	(2,271)	(2,177)
Net	**205,754**	**184,723**
(i) Secured by tangible assets and intangible assets	134,440	133,295
(ii) Unsecured	73,585	53,605
Gross	**208,025**	**186,900**
Less: Impairment loss allowance	(2,271)	(2,177)
Total	**205,754**	**184,723**
Loans In India		
(i) Public Sectors	-	-
(ii)Others	208,025	186,900
Gross	208,025	186,900
Less: Impairment loss allowance	(2,271)	(2,177)
Net	**205,754**	**184,723**
Total	**205,754**	**184,723**

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. *

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7. Investments (INR Lacs)

Particular	As at March 31, 2020			As at March 31, 2019		
	Amortised cost	At Fair Value	Total	Amortised cost	At Fair Value	Total
		Through other comprehensive income			Through other comprehensive income	
Investments						
Debt securities (1)	11,517	-	11,517	11,546		11,546
Fellow Subsidiary (2)	-		-	-	1,555	1,555
Associate (2)			-	1,771		1,771
Total – Gross (A)	**11,517**	-	**11,517**	**13,317**	**1,555**	**14,872**
(i) Overseas Investments	-	-	-			
(ii) Investments in India	11,517		11,517	13,317	1,555	14,872
Total (B)	**11,517**	-	**11,517**	**13,317**	**1,555**	**14,872**
Less: Impairment loss allowance	(49)	-	(49)	(64)		(64)
Total – Net	**11,468**	-	**11,468**	**13,253**	**1,555**	**14,808**

1. Investment in Debt securities

11,500,000 (Previous year: 11,500,000) Non Convertible Debentures of face value of INR 100 each of Aadarshini Real Estate Developers Private Limited.

2. Investment in Associate and Fellow subsidiary

Investment in 1,109,300 Equity shares of fellow subsidiary, Standard Chartered Finance Private Limited (SCFL) of face value of INR 10 each, fully paid up and investment in 13,000,000 Equity shares of associate, Standard Chartered (India) Modeling And Analytics Centre Private Limited (SCMAC), of face value of INR 10 each of, fully paid up have been sold to the holding Company Standard Chartered Bank, United Kingdom (SCB UK). Refer Note 44.

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8. Other Financial Assets (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Interest accrued on fixed deposits	-	6
Other receivables	1,144	100
Total	**1,144**	**106**

9. Current tax assets and liabilities (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Advance tax (Net)	11,318	15,204
Current tax liabilities		
Income tax provision (Net)	3,229	3,229
Net	**8,089**	**11,975**

10. Deferred tax balances (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (Net)	837	460

(INR Lacs)

For the year ended March 31, 2020	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	48	2	-	50
Expected Credit Loss	240	342	-	582
Provisions	576	(291)	-	285
Unamortised Fees	155	1	-	156
Interest on Income Tax Refund	(783)	533	-	(250)
Others	224	(212)	2	14
Total	**460**	**375**	**2**	**837**

The Government of India vide Ordinance No. 15 of 2019 dated March 31, 2020 amended the income tax provisions by inserting section 115BAA. As per the amended provisions, the Company has opted to pay tax at rate of 22% plus applicable surcharge and cess subject to the conditions mentioned under the amended provisions and recognised the effect of change by revising the annual effective income tax rate. Due to reduced tax rate, the Company has re-measured its Net Deferred Tax Assets as at April 1, 2019 and the impact of this change has been fully recognised in the Statement of Profit and Loss Account under "Tax expense" for the year ended March 31, 2020

(INR Lacs)

For the year ended March 31, 2019	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	35	13	-	48
Expected Credit Loss	185	55	-	240
Provisions	1175	(599)	-	576
Unamortised Fees	167	(12)	-	155
Interest on Income Tax Refund	(451)	(332)	-	(783)
Others	206	13	5	224
Total	**1,317**	**(862)**	**5**	**460**

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11. Property, Plant and Equipment

(INR Lacs)

Particular	As at March 31, 2020					As at March 31, 2019			
	Furniture and Fixtures	Office Equipments(*)	Premises	Right to Use Assets (Premises)	Total	Furniture and Fixtures	Office Equipments(*)	Premises	Total
At cost at the beginning of the year	1	171	216	-	388	1	59	216	276
Additions	-	15	-	250	265	-	114	-	114
Disposals/ Termination	-	-	-	(45)	(45)	-	(2)	-	(2)
At cost at the end of the year	1	186	216	205	608	1	171	216	388
Accumulated depreciation/ amortization as at the beginning of the year	-	57	18	-	75	-	30	14	44
Depreciation/ Amortization for the year	-	46	5	48	99	-	29	4	33
Disposals/ Termination	-	-	-	(8)	(8)	-	(2)	-	(2)
Accumulated depreciation/ amortization at the end of the year	-	103	23	40	166	-	57	18	75
Net carrying amount as at the end of the year	1	83	193	165	442	1	114	198	313

*Office Equipments includes Computer hardware.

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12. Other Intangible assets **(INR Lacs)**

Particular	As at March 31, 2020	As at March 31, 2019
At cost, beginning of the year (Computer Software)	1,204	1,089
Additions	420	147
Deletion		(32)
Total cost	**1,624**	**1,204**
At beginning of the year	836	486
Amortisation/ Adjustments	407	350
Total amortisation and impairment	**(1,243)**	**(836)**
Net carrying amount	**381**	**368**

13. Other Non-financial Assets **(INR Lacs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	88	41
Balances with Government Authorities	46	153
Total	**134**	**194**

14. Payables **(INR Lacs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	-	-

Trade Payables includes payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The above is based on the information available with the Company which has been relied upon by the Auditors.

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STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

15. Debt Securities (At Amortised Cost) **(INR Lacs)**

Particular	As at March 31, 2020	As at March 31, 2019
Commercial paper (CP)	104,500	130,500
Unamortised discount of (CP)	(1,758)	(3,162)
Non-Convertible Debentures (Secured)	15,000	
Total	**117,742**	**127,338**
Debt securities in India (Refer Note 43)	117,742	127,338
Debt securities outside India	-	-
Total	**117,742**	**127,338**

16. Borrowings (At Amortised cost) **(INR Lacs)**

Particular	As at March 31, 2020	As at March 31, 2019
(a)Term loans		
from Banks (Refer Note 43)	30,762	19,500
(b) Finance lease obligation	176	-
Total	**30,938**	**19,500**
Borrowings in India	30,938	19,500
Borrowings outside India		-
Total	**30,938**	**19,500**

17. Deposits (At Amortised cost) **(INR Lacs)**

Particular	As at March 31, 2020	As at March 31, 2019
Deposits :		
i) From Banks	-	-
ii) From Corporate (Unsecured)	4,900	-
Total	**4,900**	**-**

The outstanding Intercorporate deposits are borrowed at average rate of 7.06% (FY 2018-19 - Nil). Their average residual maturity is 217 days (FY 2018-19 - Nil).

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18. Other Financial Liabilities
(INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Interest accrued but not due	1,102	78
Other payables	1,049	2,022
Total	**2,151**	**2,100**

19. Provisions
(INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
(a) Provision for employee benefits		
Provision for Gratuity	179	136
Other provisions	100	66
(b) Others		
Expected Credit Loss on loan commitments	45	1
Total	**324**	**203**

20. Other Non Financial Liabilities
(INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Statutory dues	158	207
Total	**158**	**207**

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. *

21. Equity share capital (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised:		
460,000,000 (Previous year: 460,000,000) Equity shares of Rs.10 each	46,000	46,000
Issued, subscribed and paid-up:		
454,385,000 (Previous year : 454,385,000) Equity shares of Rs.10 each fully paid up	45,439	45,439
A. Reconciliation of number of shares (No of shares):		
Number of shares at the beginning of the year	454,385,000	454,385,000
Number of shares at the end of the year	454,385,000	454,385,000
B. Reconciliation for the amount of share capital		
At the beginning of the year	45,439	45,439
At the end of the year	45,439	45,439

C. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. There are no restrictions on payment of dividend to equity shareholders. The Company declares and pays dividend to its shareholders in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2020 the amount of per share dividend recognised as distributions to equity shareholders was INR. Nil (Previous Year: INR. Nil).

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

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

The entire share capital is held by Standard Chartered Bank, United Kingdom and its nominees.

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22. Interest income (on Assets held at Amortised Cost) **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Loans	24,586	12,438
Interest income from investments	1,297	46
Total	**25,883**	**12,484**

23. Other income **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on deposits with Banks	254	294
Dividend income	177	168
Interest on tax refunds	2	1,139
Others	6	13
Total	**439**	**1,614**

24. Finance cost (on Liabilities held at Amortised cost) **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Interest Costs		
Interest on deposits (ICD)	72	35
Interest on borrowings	2,076	383
Interest on debt securities	11,827	4,743
Other finance costs	329	225
Total	**14,304**	**5,386**

25. Impairment losses on financial instruments (on Assets held at Amortised Cost) **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
On Loans including commitments (net)	1,496	190
On investments	(15)	64
Loans written off (net) (*)	(184)	-
Total	**1,297**	**254**

(*)The Gross loans written off is Rs. 1,091 lacs and Rs. 1,994 lacs for the year ended March 31 2020 and March 31 2019 respectively

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STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

26. Employee benefits (INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and wages including bonus	1,720	1,464
Contribution to provident and other funds	94	50
Share Based Payments to employees (*)	(176)	225
Staff welfare expenses	5	7
Others staff costs	4	10
Total	**1,647**	**1,756**

(*) After netting off Rs. 176 Lacs towards reversal of provisions towards Share Based Payments to employees in an earlier year no longer required now

27. Depreciation and amortisation expense (INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation/ Amortisation	99	33
Amortisation of intangible assets	407	350
Total depreciation and amortisation expense	**506**	**383**

28. Other expenses (INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent	162	148
Business support costs	87	69
Support service charges	0	240
Corporate Social Responsibility Costs	133	145
Repairs and maintenance	225	265
Communication Costs	12	4
Travel & Accommodation	28	24
Printing and stationery	10	6
Goods & Service Tax written off / (back) (net)	(38)	178
Directors fees, allowances and expenses	24	6
Auditor's fees and expenses	25	24
Legal and Professional charges	74	36
Other expenditures	211	128
Total	**953**	**1,273**

28.1 Payments to auditors (INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
a) For audit	18	18
b) For other services	6	5
c) For reimbursement of expenses	1	1
Total	**25**	**24**

29. Contingent liabilities and commitments **(INR Lacs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Loan commitments	7,753	500
Contingent liabilities (Taxation)	5,376	5,376
Total	**13,129**	**5,876**

The timing of outflows of economic benefits cannot be ascertained as the demands are disputed and the Company has preferred an appeal against the said demands

30. Risk Management

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board appointed Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports. The Risk and Process owners are responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

30.1 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company's concentrations of risk are managed by client/counterparty and industry sector.

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(INR Lacs)

Expected Credit Loss

30.1.1 Credit quality of assets

Loan Book	As at March 31, 2020	As at March 31, 2019
Stage 1	160,216	177,757
Stage 2	47,809	6,750
Stage 3	-	2,393
Total	**208,025**	**186,900**

30.1.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is, as follows:

Reconciliation of the gross carrying amount of Loan Book

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**177,757**	**6,750**	**2,393**	**186,900**	**108,770**	**7,290**	**5,043**	**121,103**
New assets originated or purchased	246,141	-	-	**246,141**	166,690	-	-	**166,690**
Assets derecognised or repaid (excluding write offs)	(220,361)	(2,262)	(1,302)	**(223,925)**	(97,703)	(540)	(656)	**(98,899)**
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(43,321)	43,321	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	(1,091)	(1,091)	-	-	(1,994)	(1,994)
Gross carrying amount closing balance	**160,216**	**47,809**	-	**208,025**	**177,757**	**6,750**	**2,393**	**186,900**

ECL on Loans	As at March 31, 2020	As at March 31, 2019
Internal rating grade		
Stage 1	569	753
Stage 2	1,702	70
Stage 3	-	1,354
Total	**2,271**	**2,177**

Reconciliation of ECL balance on Loan Book is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**753**	**70**	**1,354**	**2,177**	**428**	**184**	**3,534**	**4,146**
Provisions on new financial assets purchased or originated during period*	1,492	334	-	**1,826**	325	-	-	**325**
Financial assets that have been derecognised: Repayments	(378)	-	(185)	**(563)**	-	(114)	-	**(114)**
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(1,298)	1,298	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Unwind of discount	-	-	(78)	**(78)**	-	-	(186)	**(186)**
Amounts written off	-	-	(1,091)	**(1,091)**	-	-	(1,994)	**(1,994)**
ECL allowance - closing balance	**569**	**1,702**	-	**2,271**	**753**	**70**	**1,354**	**2,177**

*Includes increase in provision on account of increase in credit risk

Debt Securities	As at March 31, 2020	As at March 31, 2019
Stage 1	11,517	11,546
Stage 2	-	-
Stage 3	-	-
Total	11,517	11,546

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Reconciliation of the gross carrying amount of Investment in Debt Security

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	11,546	-	-	11,546	-	-	-	-
New assets originated or purchased	17	-	-	17	11,546	-	-	11,546
Assets derecognised or repaid (excluding write offs)	(46)	-	-	(46)	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	11,517	-	-	11,517	11,546	-	-	11,546

ECL on investment in Debt Securities	As at March 31, 2020	As at March 31, 2019
Stage 1	49	64
Stage 2	-	-
Stage 3	-	-
Total	49	64

Reconciliation of ECL balance on Investment in Debt Securities is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	64	-	-	64	-	-	-	-
Provisions on new financial assets purchased or originated during period	-	-	-	-	64	-	-	64
Financial assets that have been derecognised: Repayments*	(15)	-	-	(15)	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
ECL allowance - closing balance	49	-	-	49	64	-	-	64

*Includes reversal of provision

Loan Commitments	As at March 31, 2020	As at March 31, 2019
Stage 1	2,753	500
Stage 2	5,000	-
Stage 3	-	-
Total	7,753	500

Reconciliation of the gross carrying amount of Loan Commitments:

Particulars	As at March 31, 2020				March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	500	-	-	500	10,700	-	-	10,700
New assets originated or purchased	7,753	-	-	7,753	500	-	-	500
Assets derecognised or repaid (excluding write offs)	(500)	-	-	(500)	(10,700)	-	-	(10,700)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(5,000)	5,000	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	2,753	5,000	-	7,753	500	-	-	500

ECL on Loan Commitments	As at March 31, 2020	As at March 31, 2019
Stage 1	8	1
Stage 2	37	-
Stage 3	-	-
Total	45	1

Reconciliation of ECL balance on Loan Commitments is given below:

Particulars	As at March 31, 2020				March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1	-	-	1	23	-	-	23
Provisions on new financial assets purchased or originated during period	45	-	-	45	1	-	-	1
Financial assets that have been derecognised: Repayments	(1)	-	-	(1)	(23)	-	-	(23)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(37)	37	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
ECL allowance - closing balance	8	37	-	45	1	-	-	1

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

30.1.3 Sector wise Exposure

Please refer Note 46 "NBFC Disclosures'

30.2 Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Financial Liabilities (INR Lacs)

Contractual maturities of financial liabilities 31 March 2020	Less than 12 months	More than 12 months	Total
Borrowings	15,857	14,905	30,762
Finance Lease Obligation (at actuals)	51	175	226
Debt securities	104,500	15,000	119,500
Inter Corporate Deposits	4,900		4,900
Other financial liabilities	2,151	-	2,151
Total financial liabilities	127,459	30,080	157,539

Contractual maturities of financial liabilities 31 March 2019	Less than 12 months	More than 12 months	Total
Borrowings	9,072	10,428	19,500
Debt securities	130,500	-	130,500
Trade payables	-	-	-
Other financial liabilities	2,100	-	2,100
Total financial liabilities	141,672	10,428	152,100

Financial Assets (INR Lacs)

Contractual maturities of financial assets 31 March 2020	Less than 12 months	More than 12 months	Total
Cash and cash equivalents	18,652	-	18,652
Trade Receivables	69	-	69
Loans	103,614	102,140	205,754
Investments	11,468	-	11,468
Other Financial assets	1,144	-	1,144
Total financial assets	134,947	102,140	237,087

Contractual maturities of financial assets 31 March 2019	Less than 12 months	More than 12 months	Total
Cash and cash equivalents	18,925	-	18,925
Trade Receivables	235	-	235
Loans	152,541	32,182	184,723
Investments	14,808	-	14,808
Other Financial assets	106	-	106
Total financial assets	186,615	32,182	218,797

30.3 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

30.4 Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks.

31. Fair Value Measurement

The Company's financial instruments are carried at fair value. The difference between fair value and carrying value is not material

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Financial instruments by category

Particulars	As at March 31, 2020	As at March 31, 2019	
	Amortised cost	FVTOCI	Amortised cost
Financial assets			
Investments			
Equity shares	-	1,555	1,771
Debentures	11,468	-	11,546
Trade Receivables	69	-	235
Loans	205,754	-	184,723
Cash and cash equivalents	18,652	-	18,925
Other Financial assets	1,144	-	106
Total financial assets	**237,087**	**1,555**	**217,306**
Financial liabilities			
Borrowings	30,938	-	19,500
Debt Securities	117,742	-	127,338
Deposits	4,900	-	-
Other financial liabilities	2,151	-	2,100
Trade payables		-	-
Total financial liabilities	**155,731**	**-**	**148,938**

The Company has no financial assets/liabilities held at FVTPL or FVOCI as at March 31, 2020. As at March 31, 2019, the Company had no financial assets/liabilities held at FVTPL or FVOCI other than investment in SCFL which is level 3 instrument. The key assumption used in its fair valuation is discount factor. The impact of increase/decrease in discount rate by 10% will impact the fair valuation as mentioned below.

Sensitivity Analysis (INR Lacs)

	DCF (*) Rate	Valuation	P&L Impact
For the year ended March 31, 2020	DCF @ 19.5%	-	-
	DCF @ 17.7%	-	-
	DCF @ 15.9%	-	-
For the year ended March 31, 2019	DCF @ 19.5%	1,487	(88)
	DCF @ 17.7%	1,555	(20)
	DCF @ 15.9%	1,649	74

(*) DCF: Discounted cash flows

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Collateral Valuation

		Fair Value of Collaterals and Credit Enhancements held				
As at March 31, 2020	Loan outstandings (net of ECL)	Cash	Securities	Guarantees*	Property	Total Collateral
Financial assets						
Loans	205,754	2,696	191,960	73,814	216,940	485,410

* Includes corporate as well as personal guarantees

		Fair Value of Collaterals and Credit Enhancements held				
As at March 31, 2019	Loan outstandings (net of ECL)	Cash	Securities	Guarantees*	Property	Total Collateral
Financial assets						
Loans	184,723	1,299	93,828	89,541	151,474	336,142

* Includes corporate as well as personal guarantees

32. Corporate Social Responsibility (CSR) Expenditure

Details of CSR expenditure of the Company are as below:

- Gross Amount required to be spent during the year – INR 133 (Previous Year: INR 145)
- Amount spent – (INR Lacs)

Description		For the year ended March 31,2020			For the year ended March 31, 2019		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
i)	Construction/acquisition of any asset	-	-	-	-	-	-
ii)	On purposes other than (i) above	133	-	133	145	-	145

33. Earnings per share ('EPS')

The computation of EPS is set out below:

Description	For the year ended March 31, 2020	For the year ended March 31, 2019
Net profit (gross of transfer to statutory reserve) attributable to equity shareholders	7,723	4,398
Weighted average number of equity shares (INR Lacs) outstanding during the year for calculation of earnings per share	4,544	4,544
Basic and Diluted Earnings per share of face value of INR 10	1.70	0.97

The basic and diluted EPS is same as there are no potential dilutive equity shares.

34. Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

35. Disclosure under the 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 and has been relied upon by the auditors, no amounts pertaining to principal and interest were due or remained due as at and for the year ended March 31, 2020 (Previous year: Nil). There have been no reported cases of delay in payments in excess of 45 days to MSME or of interest payments due to delay in such payments.

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36. Expenditure in foreign currency

Unhedged foreign currency exposure is given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Foreign currency	Indian rupee	Foreign currency	Indian Rupee
Payable- USD	1.76	133	14.78	1,021

37. Income taxes

Income Taxes relating to continuing operations

1. Income Tax recognised in profit or loss — INR lacs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Tax		
In respect of the current year	2,739	951
In respect of prior years	-	55
Deferred Tax		
In respect of the current year	(378)	861
Total Income tax expense recognised in the current year relating to continuing operations	**2,361**	**1,867**

2. Reconciliation of income tax expense of the year can be reconcilied to the accounting profit as follows: — INR lacs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Standalone Profit before tax	10,084	6,265
Income tax expense calculated at 25.168% (Previous Year 29.12%)	2,538	1,824
Effect of expenses that are not deductible in determining taxable profit	30	36
Effect of incomes which are taxed at different rates	(252)	
Effect of incomes which are exempt from tax	(45)	(48)
Tax provision for earlier years	(31)	55
Effect on deferred tax balances due to the changes in income tax rate / reversal of deferred tax asset	121	-
Income tax expense recognised in statement of profit and loss	**2,361**	**1,867**

The tax rate used for the reconciliations above is the corporate tax rate of 25.168% for the year 2019-20 and 29.12% for the year 2018-19 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

38. Employee benefits

38.1 Gratuity (Unfunded)

a) Defined Contribution Plan:

Company's contribution to Provident Fund is INR 66 Lacs (PY INR 39 Lacs)

b) Defined Benefit Plan:

The Company provides for its gratuity liability (unfunded) which is a defined benefit scheme based on actuarial valuation of the gratuity liability at the balance sheet date performed by an independent actuary.

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Ind AS 19 Disclosures- Gratuity

Required Disclosure Tables

Table 1 : Amount recognized in Balance Sheet	**As at March 31, 2020**	**As at March 31, 2019**
Present value of unfunded defined benefit obligation	179	136
Net defined benefit liability / (asset) recognized in balance sheet	179	136
Current	31	24
Non-current	148	112
Table 2 - Current Year Expense Charged to Profit & Loss Account	**As at March 31, 2020**	**As at March 31, 2019**
Current service cost	15	8
Past service cost	1	-
Interest on net defined benefit liability / (asset)	9	2
Total expense charged to profit and loss account	25	10
Table 3 - Amount Recorded as Other Comprehensive Income	**As at March 31, 2020**	**As at March 31, 2019**
Opening amount recognized in OCI outside profit and loss account	23	6
Remeasurements during the period due to		
Changes in financial assumptions	9	(8)
Changes in demographic assumptions	(10)	7
Experience adjustments	14	18
Closing amount recognized in OCI outside profit and loss account	36	23
Table 4 - Reconciliation of Net Defined Benefit Liability / (Asset)	**As at March 31, 2020**	**As at March 31, 2019**
Opening net defined benefit liability / (asset)	136	20
Expense charged to profit & loss account	25	10
Amount recognized outside profit & loss account	12	16
Employer contributions	(21)	(1)
Impact of liability assumed or (settled)*	27	91
Closing net defined benefit liability / (asset)	179	136
* On account of business combination or inter group transfer		
Table 5 - Reconciliation of Defined Benefit Obligation	**As at March 31, 2020**	**As at March 31, 2019**
Opening of defined benefit obligation	136	20
Current service cost	15	8
Past service cost	1	-
Interest on defined benefit obligation	9	1
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	9	(8)
Actuarial loss / (gain) arising from change in demographic assumptions	(10)	7
Actuarial loss / (gain) arising on account of experience changes	14	18
Benefits paid	(21)	(1)
Liabilities assumed / (settled)*	27	91
Closing of defined benefit obligation	179	136

* On account of business combination or inter group transfer

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Table 6 - Reconciliation of Plan Assets	As at March 31, 2020	As at March 31, 2019
Employer contributions	21	1
Remeasurements due to:	-	-
Benefits paid	(21)	(1)

Table 7 : Analysis of Defined Benefit Obligation	As at March 31, 2020	As at March 31, 2019
Defined benefit obligation without effect of projected salary growth	142	114
Plus effect of salary growth	37	23
Defined benefit obligation with projected salary growth	179	136

Table 8 : Results of Sensitivity Analysis	As at March 31, 2020	As at March 31, 2019
Discount rate		
Impact of increase in 25 bps on DBO.	-1.6%	-1.2%
Impact of decrease in 25 bps on DBO.	1.6%	1.3%
Salary escalation rate		
Impact of increase in 25 bps on DBO	1.0%	0.9%
Impact of decrease in 25 bps on DBO	-1.1%	-0.9%

Table 9 : Summary of Actuarial Assumptions Adopted	As at March 31, 2020	As at March 31, 2019
Discount rate (p.a.)	6.6%	7.4%
Salary escalation rate (p.a.)	5.0%	5.0%

Table 10: Miscellaneous items (Average Duration & Expected Contribution)	As at March 31, 2020	As at March 31, 2019
Average duration	6	5
Expected company contribution	31	24

Table 11: Maturity Profile	As at March 31, 2020	As at March 31, 2019
Expected benefits for year 1	31	24
Expected benefits for year 2	25	23
Expected benefits for year 3	20	21
Expected benefits for year 4	31	18
Expected benefits for year 5	14	24
Expected benefits for year 6	12	13
Expected benefits for year 7	10	11
Expected benefits for year 8	8	10
Expected benefits for year 9	7	9
Expected benefits for year 10 and above	139	58

Table 12: Vested & Non Vested Liability	As at March 31, 2020	As at March 31, 2019
DBO in respect of non vested employees	21	14
DBO in respect of vested employees	157	122
Total defined benefit obligation	179	136

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c) Restricted Share Award

The eligible employees of the Company have been granted awards as RSA of the ultimate Parent Company, Standard Chartered PLC, under various share schemes such as Deferred Restricted Share Awards, Performance Share Awards, Share save Plan, etc.

During the year, the Company has reversed an amount of INR -176 under the head Employee Benefits Note 26.

For previous year the Company has recognised INR 225 under the head 'Employee Benefit Expenses' as cost on account of share-based payment under Note 26 based on full costs towards such awards being recovered by the ultimate Parent Company.

(INR Lacs)

39. Related Parties' Disclosure

Name of Related Party	Nature of relationship
➢ Standard Chartered PLC	Ultimate Parent Company
➢ Standard Chartered Bank – UK (SCB UK)	Holding Company
Below includes only those related parties with whom transactions have occurred during current year / previous year:	
➢ Standard Chartered Bank – India Branches ('the Bank') (SCB India)	Branch of Holding Company
➢ Standard Chartered Bank – Singapore Branch ('the Bank') (SCB Singapore)	Branch of Holding Company
➢ Standard Chartered Bank – UK (SCB UK)	Holding Company
➢ Standard Chartered Global Business Services Private Limited (SCGBS)	Fellow subsidiary
➢ Standard Chartered Securities (India) Limited (SCSI)	Fellow subsidiary
➢ Standard Chartered Finance Private Limited (SCFL)	Fellow subsidiary
➢ Standard Chartered (India) Modeling and Analytics Centre Private Limited (SCMAC)	Associate enterprise
➢ Mr. Souvik Sengupta (Resigned as MD & CEO on October 31, 2019)	Key Managerial Personnel
➢ Mr. Prashant Kumar (Appointed as MD & CEO w.e.f. November 01, 2019)	Key Managerial Personnel
➢ Mr. Siddhartha Sengupta (Appointed w.e.f. June 14, 2019)	Non - Executive Independent Director
➢ Mr. G V Gopalakrishnan (Appointed w.e.f. June 14, 2019)	Non - Executive Independent Director
➢ Mr. Neil Percy Francisco (Appointed w.e.f. July 8, 2019)	Non - Executive Independent Director
➢ Ms. Richa Tripathi (Resigned as COO & CFO on October 31, 2019)	Key Managerial Personnel
➢ Ms. Priya Ranjit (Appointed as COO & CFO w.e.f. November 11, 2019)	Key Managerial Personnel
➢ Mr. Saket Maheshwari	Key Managerial Personnel

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		(INR Lacs)
Transactions	**For the year ended March 31, 2020**	**For the year ended March 31, 2019**
Transactions with SCB India		
Rental Charges	112	107
Receiving of Services(#)	0	591
FD Interest	79	271
Short term loan taken	48,000	11,500
Short term loan paid	(48,000)	(11,500)
Interest on Short term loan	83	11
Commitment fee paid	150	150
Fixed Deposits placed	92,500	238,400
Fixed Deposits matured	(92,500)	(238,400)
Gratuity fund	36	91
O/D Interest	-	12
Service Charges	-	1
Transaction with SCSI		
Rent Income	1	-
Rental charges	14	39
Reimbursement of Expense	0	-
Purchase of Asset	3	-
Transaction with SCMAC	-	
Dividend income	177	119
	-	-
Transactions with SCFPL		
Interest Payable (Net of TDS)	25	-
Interest Expenses	28	-
Dividend Income	-	49
Transactions with SCGBS		
Business Support Cost	87	69
Transactions with SCB Singapore		
Miles software payment	1,081	-
Other Service Charges	19	-
Transaction With SCB UK		
Share based payments	(176)	225
Sale of investment in Standard Chartered Finance Pvt. Ltd	(1,555)	-
Sale of investment in Standard Chartered (India) Modeling and Analytics Centre Pvt Ltd	(3,544)	-
Dividend For FY 2018-2019	-	3,065
Transactions with Directors and Others		
Salaries and other employee benefits to Directors (*) and Key Managerial Personnel (*)	363	531
Sitting Fees paid to Independent Non- Executive Directors	24	5

(*) Includes remuneration paid to Directors and Key Managerial Personnel, of which few employees were employed for part of the year.

Sal

Balances	As at March 31, 2020	As at March 31, 2019
Balances with SCB India	240	258
Balance with SCB India receivable for Gratuity fund	127	100
Closing Bank Balance with SCB India	17,857	2,697
Sundry balances - payable for rent with SCSI	2	6
Sundry balances - receivable for rent with SCSI	7	-
Inter Corporate Deposits outstanding of SCFPL	2,400	-
Balance with SCFPL- Investment in Equity shares	-	1,555
Balance with SCMAC- Investment in Equity shares	-	1,771
Outstanding expense payable to SCGBS	10	8
Share option balance with SCB UK	(133)	(309)
Sundry balances - receivable for service charges with SCB Singapore	(8)	-
Sundry balances - payable for MILES software with SCB Singapore	-	1,021

(#) Amounts less than One Lac, on account of rounding off are disclosed as Nil.

40. Support service charges

SCB India incurs expenditure on support functions like Property, Human Resources, Taxation, Legal, Information Technology, etc., which is for the common benefit of it and other Standard Chartered Group companies in India. Such costs are recovered from the Company and other Standard Chartered Group companies based on identifiable criteria. This expenditure is disclosed as Support Service Charges by the Company and it is amounting to INR 0.2 Lacs for the year ended March 31, 2020 and INR 240 Lacs for the year ended March 31, 2019.

41. Business support cost

Standard Chartered Global Business Services Pvt. Ltd. ('SCGBS') provides a wide range of services like banking operations, finance and accounting services, IT service, etc and other Standard Chartered Group companies. 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 business support cost amounting to INR 87 Lacs for the year ended March 31, 2020 and INR 69 Lacs for the year ended March 31, 2019.

42. Transfer pricing

The Company has established a system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income Tax Act, 1961.

The Company's international transactions with associated enterprises are at arm's length as per the independent accountant's report for the year ended March 31, 2019. The Company is in the process of updating the documentation for the international transactions entered with the associated enterprises during the period subsequent to March 31, 2019. Management believes that the Company's international transactions with associated enterprises post March 31, 2019 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the year end.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

43. Details of Debt Securities and Borrowings as at :

Residual Maturity of Debt Securities	As at March 31, 2020		As at March 31, 2019	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Secured NCD (A)	**15,000**	**8.65% p.a.**	**NA**	**NA**
Fixed:	**15,000**	**8.65% p.a.**	**NA**	**NA**
More than 5 years	NA	NA	NA	NA
3- 5 Years	NA	NA	NA	NA
1-3 Years	15,000	8.65% p.a.	NA	NA
Less than 1 year	NA	NA	NA	NA
Floating:	**NA**	**NA**	**NA**	**NA**
Secured Zero Coupon (B)	**NA**	**NA**	**NA**	**NA**
Unsecured Commercial Paper (C)	**104,500**	**7.00% p.a. – 8.50% p.a.**	**130,500**	**8.00% p.a. – 9.85% p.a.**
Fixed:	**104,500**	**7.00% p.a. – 8.50% p.a.**	**130,500**	**8.00% p.a. – 9.85% p.a.**
Less than 1 year	104,500	7.00% p.a. – 8.50% p.a.	130,500	8.00% p.a. – 9.85% p.a.
Total (A+B+C)	**119,500**	**7.00% p.a. – 8.65% p.a.**	**130,500**	**8.00% p.a. – 9.85% p.a.**

Terms of repayment of Term Loans from Banks :

Residual Maturity of Bank Borrowings	As at March 31, 2020		As at March 31, 2019	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:	**30,762**	**7.50% p.a.- 9.00% p.a.**	**19,500**	**9.00% p.a. – 9.05% p.a.**
More than 5 years	3,476	8.45% p.a.-9% p.a	12,000	9.05% p.a.
3- 5 Years	5,714	8.45% p.a.-9% p.a	NA	NA
1-3 Years	5,714	8.45% p.a.-9% p.a	NA	NA
Less than 1 year	15,858	7.50% p.a-9% p.a	7,500	9.00% p.a.
Total	**30,762**	**7.50% p.a-9% p.a**	**19,500**	**9.00% p.a. – 9.05% p.a.**

The Term Loans to the extent of INR 17,762 Lacs are secured by way of general floating pari-passu charge over the current and future book debts and receivables, outstanding monies receivable, claims and bills etc. The Balance Term Loans amounting to INR 13,000 Lacs are unsecured.

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Non – Convertible Debentures (NCDs) :

Particulars	Coupon/ Yield	As at March 31, 2020	As at March 31, 2019
Rated Listed Secured Redeemable Non-Convertible Debentures Series SCILL/2019-20/S01 Date Of Maturity 25/07/2022 (INE403G07061)	8.65%	15,000	-

The Non-Convertible Debentures are secured by way of First ranking pari-passu charge over the book debts and receivables of the Company with a minimum security cover being at least 100% (One Hundred percent) of the outstanding Redemption Amounts and Coupon due and payable thereon at any point of time or such higher cover as may be stipulated under each Tranche Offer Document relevant to any Tranche (the "Security Cover"), in terms of the Deed of Hypothecation.

44. Sale of SCMAC and SCFPL

The Company at its meeting of the Board of Directors dated May 16, 2019 approved sale of investments in Standard Chartered Finance Private Limited (SCFPL) and Standard Chartered (India) Modeling And Analytics Centre Private Limited (SCMAC) to its holding Company Standard Chartered Bank, United Kingdom (SCB UK).The Sale was made at the Sale consideration approved by the Board based on Valuation by an external Management's expert and the sale transaction was completed in December 2019 with the receipt of sale consideration and transfer of the shares held to SCB (UK).

The profit on Sale of SCMAC (an associate of the Company held at carrying cost) Rs. 1,773 lacs is disclosed as an exceptional item. SCFPL was held at FVOCI and the sale consideration was equal to the fair value, on transfer the balance held in FVOCI Reserve amounting to Rs.1,526 was transferred to Retained Earnings within Equity without being transferred to the Statement of Profit and Loss.

45. COVID

The impact of COVID-19 pandemic has been unprecedented and disruptive across the World, including India. The current Business environment is grim for major companies in India who are faced with challenges and are struggling to continue their operations. Non-banking finance companies (NBFCs) support the financing needs of mainly MSMEs, infrastructure, real estate sectors and offer special structured financing solutions to corporate clients. The NBFC industry has been hit hard due to lockdown resulting in slowdown/stalling of business momentum, disruption caused due to collection delays and moratorium.

The Government of India (GoI) and the Reserve Bank of India (RBI) have provided liquidity support through multi-level intervention for the impacted industries / individuals and are also striving to extend financial stimulus; the impact and benefit of these measures will be realised only in the mid to long term period.

The Company's business and operations have also been impacted from the last week of March 2020. In terms of the policy approved by the Board pursuant to Reserve Bank of India (RBI) Circular dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Company has granted EMI moratorium to eligible borrowers for a period upto 3 months with regards to the payment falling due between March 1, 2020 and May 31, 2020. Further, in relation to the accounts overdue but standard as at February 29, 2020 where moratorium benefit has been extended in terms of aforesaid RBI guidelines, the staging of those accounts at March 31, 2020 is based on the days past due status as on February 29, 2020. Based on the Company's assessment, this relaxation has not been deemed to be automatically triggering significant increase in credit risk. On May 22, 2020, the RBI has announced further extension of the Moratorium Period by three months; the Company is currently in the process of rolling out client communications extending the moratorium to eligible borrowers. As on March 31, 2020 22 % of the book is under Moratorium.

The impact on the Global & Indian economy, businesses and customers' response thereon continues to be uncertain amidst the pandemic. This uncertainty is reflected in the Company's assessment of impairment loss allowance on its loans which have been subjected to a number of management judgments and estimates. In relation to COVID-19, judgments and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities and the responses of businesses and consumers in different industries. While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from prior year, the Company has separately incorporated estimates, assumptions and judgments specific to the COVID-19 impact based on early indicators of moratorium and delayed payments metrics observed along with an estimation of potential stress on probability of defaults. Accordingly, the Company has measured additional impairment loss allowance and recognised total provision for Rs.1,297 Lacs in the Standalone Statement of Profit and Loss. In addition, while assessing the liquidity situation, the Company has taken into consideration certain assumptions with respect to repayments of loan assets and undrawn committed lines of credit, borrowing limits based on its past experience which have been adjusted for the current events. Given the dynamic nature of the pandemic situation, the extent of impact on the Company's impairment loss allowance on assets and its future results will depend on the severity, duration and impending developments in relation to the pandemic situation, which are highly uncertain and thus the Company will continue to assess and closely monitor the same.

46. NBFC disclosures: (i) In accordance with Para 18 and Para 70 of RBI Master Direction no. DNBR (PD) CC.No. 008/ 03.10.119/ 2016-17 dated September 1, 2016 (as amended), the following are the additional disclosures required under Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Amounts as at March 31, 2020

	Liabilities:	**Amount Outstanding**	**Amount Overdue**
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	-	
	(a) Debentures : Secured	15,892	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	
	(c) Term Loans	30,946	-
	(d) Inter Corporate Deposits	4,926	-
	(e) Commercial Paper	102,742	-
	(f) Other Loans	-	

	Assets:	**Amount Outstanding**	
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured	134,440	-
	(b) Unsecured	73,585	-
(3)	(i) Lease assets including lease rentals under sundry debtors		
	(a) Financial Lease	-	-
	(b) Operating Lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	-
	(b) Repossessed assets	-	-
	(iii) Other loans counting towards Asset Finance Company activities:	-	-
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above		
(4)	<u>Break-up of Investments</u>		
	Current Investments:		
	1. <u>Quoted:</u>		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds (Net of Depreciation)	11,468	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-

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(v) Others	-	-
2. Unquoted :	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others		
Long Term investments :	-	-
1. Quoted :	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others		
2. Unquoted :		
(i) Shares : (a) Equity (net of provision)		
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-

(5) Borrower group-wise classification of all Leased Assets, Stock on Hire and Loans and Advances:

Category	Amount		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	134,440	73,585	208,025
Total	**134,440**	**73,585**	**208,025**

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value / Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group (*)	-	-
(c) Other related parties	-	-
2. Other than related parties	11,517	11,517
Total	**11,517**	**11,517**

(7) Other information

Particulars		Amount
(i) Gross Non-Performing Assets	-	-
(a) Related Party	-	-
(b) Other than Related Parties	-	-
(ii) Net Non-Performing Assets	-	-
(a) Related Party	-	-
(b) Other than Related Parties	-	-

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

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for the year ended March 31, 2020

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(iii) Assets acquired in satisfaction of debts	-	-

(*) The associate is shown at carrying value

Amounts as at March 31, 2019

	Liabilities:	**Amount Outstanding**	**Amount Overdue**
(1)	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:	-	-
	(a) Debentures : Secured		-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)	-	
	(b) Deferred Credits	-	-
	(c) Term Loans	19,578	-
	(d) Inter-Corporate Loans and Borrowing	-	-
	(e) Commercial Paper	127,338	-
	(f) Other Loans	-	-

	Assets:	**Amount Outstanding**	
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured	133,295	-
	(b) Unsecured	53,605	-
(3)	(i) Lease assets including lease rentals under sundry debtors		
	(c) Financial Lease	-	-
	(d) Operating Lease	-	-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(c) Assets on hire	-	-
	(d) Repossessed assets	-	-
	(iii) Other loans counting towards Asset Finance Company activities:	-	-
	(b) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above		
(4)	<u>Break-up of Investments</u>		
	Current Investments:		
	1. <u>Quoted:</u>		
	(i) Shares: (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds (Net of Depreciation)	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others	-	-
	2. <u>Unquoted</u> :	-	-
	(i) Shares : (a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of Mutual Funds	-	-
	(iv) Government Securities	-	-
	(v) Others		

(INR Lacs)

Long Term investments :	-	-
1. Quoted :	-	-
(i) Shares : (a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others		
2. Unquoted :		
(i) Shares : (a) Equity (net of provision)	3,326	-
(b) Preference	-	-
(ii) Debentures and Bonds	11,546	-
(iii) Units of Mutual Funds	-	-
(iv) Government Securities	-	-
(v) Others	-	-

(5) Borrower group-wise classification of all Leased Assets, Stock on Hire and Loans and Advances:

Category	Amount Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	133,295	53,605	186,900
Total	**133,295**	**53,605**	**186,900**

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value / Break-up or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group (*)	3,326	3,326
(c) Other related parties	-	
2. Other than related parties	11,546	11,546
Total	**14,872**	**14,872**

(7) Other information

Particulars	Amount
(i) Gross Non-Performing Assets	-
(a) Related Party	-
(b) Other than Related Parties	2,393
(ii) Net Non-Performing Assets	-
(a) Related Party	-
(b) Other than Related Parties	1,040
(iii) Assets acquired in satisfaction of debts	-

(*) The associate is shown at carrying value

Capital to Risk Adjusted Ratio ('CRAR')

Items		31 March 2020	31 March 2019
(i)	CRAR (%)	39.80%	40.98%
(ii)	CRAR - Tier I capital (%)	39.52%	40.61%
(iii)	CRAR - Tier II Capital (%)	0.28%	0.37%
(iv)	Amount of subordinated debt raised as Tier-II capital	-	-

Standard Chartered Investments and Loans (India) Limited
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(v)	Amount raised by issue of Perpetual Debt Instruments	-	-

Exposure to Real Estate Sector (*)

Category			31 March 2020	31 March 2019
(a)	Direct exposure		-	-
	(i)	Residential Mortgages -	4,884	-
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)		
	(ii)	Commercial Real Estate -		
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits*	82,446	70,274
	(iii)	Investments in Mortgage Backed Securities and other securitized exposures –		
		a. Residential	-	-
		b. Commercial Real Estate	-	-
(b)		Indirect Exposure		
		Fund based and non-fund based exposures on National Housing Bank and Housing Finance Companies.	-	-
		Total Exposure to Real Estate	**87,330**	**70,274**

(*) These disclosures are based on principal balances of exposures.

Standard Chartered Investments and Loans (India) Limited
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Maturity pattern of certain items of Assets and Liabilities as at 31 March'2020

	1 Day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 Year upto 3 Years	Over 3 years upto 5 years	Over 5 years	Total
Fixed deposits with Banks	-	-	-	-	-	-	-	-	-
Loans and Advances	6,384	4,920	25,704	26,031	42,846	46,451	36,957	18,732	**208,025**
Investments#*	-	-		11,500	-	-	-	-	**11,500**
Borrowings from banks *$	238	238	238	8,214	6,930	5,714	5,714	3,476	**30,762**
Market borrowings*	-	16,500	42,000	49,400	1,500	15,000	-	-	**124,400**
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	133	-	-	-	-	**133**

represents investments in Non-Convertible Debentures of other than related parties
* disclosed at face value
$ The Commercial Papers held by Banks are not included in the Figures of Borrowings from Bank

Maturity pattern of certain items of Assets and Liabilities as at 31 March'2019

	1 Day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 Year upto 3 Years	Over 3 years upto 5 years	Over 5 years	Total
Fixed deposits with Banks	16,000	-	-	-	-	-	-	-	**16,000**
Loans and Advances	22,778	62,565	25,492	26,635	15,895	13,029	9,292	8,821	**184,507**
Investments#*	-	-	3,326	11,500	-	-	-	-	**14,826**
Borrowings from banks *	-	143	143	429	8,357	3,429	3,429	3,570	**19,500**
Market borrowings*	16,000	20,000	51,000	35,500	8,000	-	-	-	**130,500**
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities&&	-	1,021	-	-	-	-	-	-	**1,021**

represents investments in equity shares of fellow subsidiary / associate and Non-Convertible Debentures of other than related parties
* disclosed at face value
& excludes non-performing asset of INR 2,393 Lacs
&& Includes exchange loss of INR 63 Lacs

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Investments

Particulars			31 March 2020	31 March 2019
(a)	Value of Investments			
	(i)	Gross Value of Investments-		
		a. In India	11,517	14,872
		b. Outside India	-	-
	(ii)	Provisions for Depreciation -		
		a. In India	(49)	(64)
		b. Outside India	-	-
	(iii)	Net Value of Investments–		
		a. In India	11,468	14,808
		b. Outside India	-	-
(b)	Movement of provisions held towards depreciation on investments			
	(i)	Opening Balance	64	-
	(ii)	Add: Provisions made during the year		64
	(iii)	Less : Write-off / write-back of excess provisions during the year	(15)	-
	(iv)	Closing Balance	49	64

Exposure to capital market

Particulars		31 March 2020	31 March 2019
(a)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	11,517	14,872
(b)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(c)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security (*)	81,594	59,988
(d)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds do not fully cover the advances;	-	-
(e)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(f)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(g)	bridge loans to companies against expected equity flows / issues;	-	-
(h)	all exposures to Venture Capital Funds (both registered and unregistered)	-	-
	Total Exposure to Capital Market	**93,111**	**74,860**

(*) These disclosures are based on principal balances of exposures.

Standard Chartered Investments and Loans (India) Limited
Notes to the Standalone financial statements
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Unsecured Advances
There are no unsecured advances for which intangible securities such as charge over rights, licenses, authority etc. has been taken as collateral.

Provisions and Contingencies

'Provisions and Contingencies' in Profit and Loss Account are as below		31 March 2020	31 March 2019
(a)	Provision made towards Income tax (current)	2,739	1,006
(b)	Impairment on financial instruments	1,297	254

Concentration of Advances (*)		31 March 2020	31 March 2019
(a)	Total advances to twenty largest borrowers	157,175	159,879
(b)	Percentage of advances to twenty largest borrowers to total advances	75.39%	85.62%

(*) These disclosures are based on principal balances of exposures.

Concentration of Exposures (*)		31 March 2020	31 March 2019
(a)	Total exposures to twenty largest borrowers/customers	164,675	160,379
(b)	Percentage of exposures to twenty largest borrowers/customers to total exposure on borrowers/customers	76.15%	85.66%

(*) These disclosures are based on principal balances of exposures.

Concentration of Deposits (*)		31 March 2020	31 March 2019
(a)	Total exposures from twenty largest depositors	4,900	-
(b)	Percentage of exposures from twenty largest depositors to total exposure from depositors	100%	-

(*) These disclosures are based on principal balances of exposures.

Customer Complaints		31 March 2020	31 March 2019
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	74	104
(c)	No. of complaints redressed during the year	74	104
(d)	No. of complaints pending at the end of the year	-	-

The data has been compiled by the management and same has been relied upon by the auditors.

Ratings assigned by credit rating agencies and migration of ratings for the year 31 March 2020
During the year under review, CRISIL reaffirmed its rating of 'CRISIL A1+'on the Company's short-term debt programme and 'CRISIL AAA/Stable' on the Company's long-term debt instrument.

During the year under review, ICRA also reaffirmed rating of 'ICRA A1+'on the Company's short-term debt programme and 'ICRA AAA/Stable' on the Company's long-term debt instrument

In April 2019, CRISIL assigned rating of 'CRISIL AAA/Stable' on the Company's bank facilities.

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Standard Chartered Investments and Loans (India) Limited
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Pending Litigations
As of 31 March 2020 and 31 March 2019, there are no pending litigations against the Company other than tax related appeal disclosed under contingent liability Note 29.

Concentration of NPAs	31 March 2020	31 March 2019
Exposure to NPA account (*)	-	2,393

(*) These disclosures are based on principal balances of exposures.

	Sector-wise NPA	Percentage of NPAs to Total Advances in that sector 31 March 2020	Percentage of NPAs to Total Advances in that sector 31 March 2019
(a)	Agriculture & allied activities	-	-
(b)	MSME	-	-
(c)	Corporate borrowers (*)	-	1.65
(d)	Services	-	-
(e)	Unsecured personal loans	-	-
(f)	Auto loans	-	-
(g)	Other personal loans	-	-

(*) These disclosures are based on principle balances of exposures.

			Particulars	31 March 2020	31 March 2019
(a)			Net NPAs to Net Advances (%)	-	0.56%
(b)			Movement of NPAs (Gross)		
	(i)		Opening balance	2,393	5,027
	(ii)		Additions during the year	-	-
	(iii)		Reductions during the year	2,393	(2,634)
	(iv)		Closing balance	-	2,393
(c)			Movement of Net NPAs		
	(i)		Opening balance	1,040	1,493
	(ii)		Additions during the year	-	-
	(iii)		Reductions during the year	1,040	(453)
	(iv)		Closing balance	-	1,040
(d)			Movement of provisions for NPAs (excluding provisions on standard assets)		
	(i)		Opening balance	1,353	3,534
	(ii)		Provisions made during the year	-	-
	(iii)		Write-off / write-back of excess provisions	1,353	(2,180)
	(iv)		Closing balance	-	1,353

	Details of NPA sold to asset reconstruction company by way of assignment transaction	31 March 2020	31 March 2019
(i)	No. of accounts	1	-
(ii)	Aggregate value (net of provisions) of accounts sold	996	-
(iii)	Aggregate consideration	1,258	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / (loss) over net book value	262	-

Sal

Following disclosures are Nil for the year ended March 31, 2020 and previous year:

(a) Derivatives
(b) Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded
(c) Registration obtained from other financial sector regulators
(d) Penalties imposed by RBI and other regulators
(e) Financing of parent company products
(f) Postponement of revenue recognition pending the resolution of significant uncertainties
(g) Draw Down from Reserves
(h) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)
(I) Off-balance sheet SPVs sponsored
(j) Restructured transactions

47. Large Corporate Entity

Sr. No.	Particulars	Details
1	Name of the company	Standard Chartered Investments & Loans (India) Limited
2	CIN	U65990MH2003PLC142829
3	Outstanding borrowing of company as on 31st March, 2020	153,580 Lacs (PY 146,838 Lacs)
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	CRISIL Rating: Commercial Paper – CRISIL A1+ Non-Convertible Debentures - CRISIL AAA/Stable Banking Facilities –CRISIL AAA/Stable ICRA Rating: Commercial Paper – ICRA A1+
5	Name of Stock Exchange# in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	Bombay Stock Exchange

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

(INR Lacs)

48. Disclosures on Comparison of Provisions as per RBI Circular (NBFC).CC.PD.No.109 DOR /22.10.106/ 2019-20 dated March 13, 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
-1	-2	-3	-4	(5)=(3)-(4)	-6	(7) = (4)-(6)
Performing Assets						
	Stage 1	160,216	569	159,647	641	(72)
Standard	Stage 2	47,809	1,702	46,107	407	1,295
Subtotal		208,025	2,271	205,754	1,048	1,223
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA						
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP)	Stage 1	2,753	8	2,745	-	8
	Stage 2	5,000	37	4,963	-	37
	Stage 3	-	-	-	-	-
Subtotal		7,753	45	7,708	-	45
Total	**Stage 1**	162,969	577	162,392	641	(64)
	Stage 2	52,809	1,739	51,070	407	1,332
	Stage 3	-	-	-	-	-
	Total	**215,778**	**2,316**	**213,462**	**1,048**	**1,268**

49. Disclosures on COVID – 19 Regulatory Package – Assets Classification and provisioning as per RBI Circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020

	Particulars	**31 March 2020**
(i)	Amounts in SMA/overdue categories, where the moratorium/deferment was extended	4,488
(ii)	Amount where asset classification benefits is extended	4,488
(iii)	Provisions made during the year	404

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50. Subsequent Events
There are no other subsequent events post Balance Sheet date, which may result into the adjustment to the financial statements or requires any specific disclosure.

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No. 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of
Standard Chartered Investments and Loans (India) Limited

Zarin Daruwala
Director
DIN No: 00034655

Prashant Kumar
MD & CEO
DIN No: 08584379

Priya Ranjit
COO & CFO
ACA: 117771

Saket Maheshwari
Head of Finance & CS
ACS:21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited

Consolidated Financial Statements together with the auditors' report for the year ended March 31, 2020

Standard Chartered Investments and Loans (India) Limited

Consolidated Financial statements together with auditors' report
for the year ended March 31, 2020

Contents

Deloitte
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INDEPENDENT AUDITORS' REPORT

To The Members of Standard Chartered Investments and Loans (India) Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Standard Chartered Investments and Loans (India) Limited** ("the Parent Company") which includes its share in profit in its associate, which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and 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 consolidated 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Parent Company as at 31 March 2020, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditors' Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Parent Company and its associate company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 45 to the Consolidated Financial Statements, which fully describes that the Parent Company has recognised impairment on financial assets to reflect the adverse business impact and uncertainties arising from the COVID 19 pandemic. Such estimates are based on current facts and circumstances and may not necessarily reflect the future uncertainties and events arising from the full impact of the COVID 19 pandemic.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditors' Response
Identification of and provisioning for expected credit loss (ECL) on loans in accordance with the Company's policy (Refer Note 6 and 30.1 to the financial statements) As at the year end, the Parent Company has financial assets in form of loans granted to customers Rs. 2,057,54 lacs net of provision for expected credit loss (ECL) of Rs. 2,271 lacs. Classifying the loans portfolio into the various stages in accordance with Ind AS 109 including Identification of credit impaired loans and provisioning for loans is a key audit matter as the current processes at the Parent Company involves manual interventions, significant management estimates and judgements and due to the level of regulatory and other stakeholders focus. The most significant judgements are: • Timely identification and classification of the loans which also include considering the impact of recent Reserve Bank of India's	**Principal audit procedures:** • We have evaluated and understood the internal control system over credit appraisal, system set-up, and recognition of interest income, disbursement, repayment, overdue monitoring and provisioning. • We have read the Board approved policy for computation of Expected Credit Losses that address policies, procedures and controls for assessing and measuring credit risk on all lending exposures and the parameters and assumptions considered. • We have understood the IT systems/ applications used and tested the design, implementation and operating effectiveness of relevant controls both automated and manual controls in relation to determination of Days past due for loans and tested the completeness and accuracy of the Days Past Due (DPD) reports. • We verified the appropriateness of the Parent Company's determination of significant increase in credit risk and the resultant basis for classification of exposures into various stages based on verification of DPD reports/ Early Alert reports and other monitoring reports that are submitted to Credit committee for monitoring and evaluation. We have read the minutes of the Credit Committee meetings held during the year and discussions held on specific cases and tested

DELOITTE HASKINS & SELLS CHARTERED ACCOUNTANTS

(RBI) COVID-19 regulatory circulars. • Determining the probability of defaults based on comparative external ratings and estimation of loss given defaults based on the value of collaterals and relevant factors. • Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the COVID-19 Pandemic. • Further the disclosures made in financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL. Refer note XX to the financial statements Accordingly, our audit was focused on identification of and provisioning for ECL on loans and related disclosures due to the materiality of the balances and associated provision.	the reports discussed in the Credit committee for assessing the sufficiency and reasonability of Management's judgements involved in classifying the loans under various stages based on this. • We verified the computation of ECL including various parameters used in the computation of ECL viz. Probability of Default (PD), Loss Given Default (LGD) by examination of the rates used from the source documents being CRISIL Default Study report/ RBI Circular as applicable including management's assessment of current uncertain economic environment arising out of COVID 19 pandemic and its impact on the staging of loans and provisioning. • We have evaluated the past trends of management judgement, governance process and review controls over ECL calculations including minutes of the Audit Committee meetings / board Meetings and discussed the impairment provisions made with senior management including the Chief Financial Officer and Chief Risk Officer. • We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 Financial Instruments: Disclosures in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Information Other than the Financial Statements and Auditors' Report Thereon

- The Parent Company's Board of Directors are responsible for the preparation of the other information. The other information comprises of the Director's report (including annexures), but does not include the consolidated financial statements, standalone financial statements and our auditors' reports thereon.

- Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information, to the extent it relates to these entities, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Parent Company including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the Parent Company and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Parent Company and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Parent Company and of its associate are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Parent Company and of its associate are also responsible for overseeing the financial reporting process of the Parent Company and of its associate.

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 consolidated financial statements.

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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 consolidated 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 financial 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 Parent Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 ability of the Parent Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Parent Company and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of business activities of the Parent Company and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements or business activities included in the consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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

DELOITTE HASKINS & SELLS
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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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2020 taken on record by the Board of Directors of the Company and the report of the statutory auditor of its associate company incorporated in India, none of the directors of the Parent Company and its associate company incorporated in India are 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' report of the Parent company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the Parent Company, for the reasons stated therein.

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g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Parent Company to its directors during the year is in accordance with the limits laid down under section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Parent Company and its associate company.

ii) The Parent Company and its associate company did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its associate company.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)
UDIN: 20105035AAAADO5595

Place: Mumbai
Date: June 15, 2020

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ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 **Standard Chartered Investments and Loans (India) Limited** ("the Parent Company") as of March 31, 2020 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Parent Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent 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 Parent Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' 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 Parent Company's internal financial controls system over financial reporting.

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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 and other applicable regulations. 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 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.

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.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Parent 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 criteria for internal financial control over financial reporting established by the Parent 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 **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 117365W)

Pallavi A. Gorakshakar
(Partner)
(Membership No. 105035)

Place: Mumbai
Date: June 15, 2020

Standard Chartered Investments and Loans (India) Limited
Consolidated Balance Sheet

CIN: U65990MH2003PLC142829 (INR Lacs)

Particulars	Note No.		
Assets		**As at March 31, 2020**	**As at March 31, 2019**
Financial Assets			
Cash and cash equivalents	4	18,652	18,925
Receivables: Trade Receivables	5	69	235
Loans	6	205,754	184,723
Investments	7	11,468	14,733
Other Financial assets	8	1,144	106
Non-financial Assets			
Current Tax Assets	9	11,318	15,204
Deferred Tax Assets (Net)	10	837	460
Property, Plant and Equipment	11	442	313
Capital work-in-progress		366	650
Other Intangible Assets	12	381	368
Other non-financial assets	13	134	194
Total assets		250,565	235,911
Liabilities and Equity		**As on March 31, 2020**	**As on March 31, 2019**
Liabilities			
Financial Liabilities			
Payables	14		
Trade Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Debt securities	15	117,742	127,338
Borrowings	16	30,938	19,500
Deposits	17	4,900	-
Other financial liabilities	18	2,151	2,100
Non-financial liabilities			
Current tax liabilities	9	3,229	3,229
Provisions	19	324	203
Deferred tax liabilities (Net)	10	-	-
Other non-financial liabilities	20	158	207
Total liabilities		159,442	152,577
Equity			
Equity share capital	21	45,439	45,439
Other equity		45,684	37,895
Total equity		91,123	83,334
Total liabilities and equity		250,565	235,911

The accompanying notes 1 to 47 are an integral part of the financial statements.

As per our report attached.

For **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of Standard Chartered Investments and Loans (India) Limited

Zarin Daruwala
Director
DIN No: 00034655

Prashant Kumar
MD & CEO
DIN No: 08584379

Priya Ranjit
COO & CFO
ACA: 117771

Saket Maheshwari
Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
Consolidated Statement of Profit and Loss

CIN: U65990MH2003PLC142829 (INR Lacs)

Particulars	Note No.	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue from operations			
Interest Income	22	25,883	12,484
Fee Income		696	1,219
Total Revenue from operations		26,579	13,703
Other Income	23	439	1,614
Total Income		27,018	15,317
Expenses			
Finance Costs	24	14,304	5,386
Impairment losses on financial instruments	25	1,297	254
Employee benefits	26	1,647	1,756
Depreciation and amortisation expense	27	506	383
Other expenses	28	953	1,273
Total Expenses		18,707	9,052
Profit before exceptional items and tax		8,311	6,265
Exceptional Items (Refer Note 44)		1,848	-
Profit before tax		10,159	6,265
Tax Expense:			
(1) Current Tax		2,739	1,006
(2) Deferred Tax		(378)	861
		2,361	1,867
Profit after tax for the year		7,798	4,398
Share in net profit of associate		-	70
Profit after share in net profit of associate		7,798	4,468
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(12)	(18)
Equity Instruments through Other Comprehensive Income		0	(22)
(ii) Income tax relating to items that will not be reclassified to profit or loss		3	5
Share in OCI of the associate		0	(3)
Other Comprehensive Income		(9)	(38)
Total Comprehensive Income for the year		7,789	4,363
Earnings per equity share			
Basic (INR)	33	1.72	0.98
Diluted (INR)		1.72	0.98

The accompanying notes 1 to 47 are an integral part of the financial statements.

As per our report attached.

***For* Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of Standard Chartered Investments and Loans (India) Limited

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Saket Maheshwari
Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
Consolidated Statement of Changes in Equity for the year ended March 31, 2020

CIN: U65990MH2003PLC142829

Equity Share Capital (INR Lacs)

Particulars	Amount
Balance at March 31, 2018	45,439
Changes in equity share capital during the year	-
Balance at March 31, 2019	45,439
Changes in equity share capital during the year	-
Balance at March 31, 2020	45,439

Other Equity

Particulars	Reserves and Surplus		Equity Instruments through OCI	Other items of OCI	Total
	Statutory Reserve	Retained Earnings			
Balance as at March 31, 2018	9,761	25,855	1,548	(4)	37,160
Profit for the year after income tax	-	4,468	-	-	4,468
Dividend paid including dividend distribution tax	-	(3,695)	-	-	(3,695)
Transfer to/from retained earnings*	880	(880)	-	-	-
Transfer on sale of equity instrument through OCI	-	-	-	-	-
Other Comprehensive Income for the year before income tax	-	-	(22)	(21)	(43)
Less: Income Tax on Other Comprehensive Income	-	-	-	5	5
Balance as at March 31, 2019	10,641	25,748	1,526	(20)	37,895
Profit for the year after income tax		7,798			7,798
Transfer to/from retained earnings*	1,551	(1,551)	-	-	-
Transfer on sale of equity instrument through OCI		1,526	(1,526)		
Other Comprehensive Income for the year before income tax	-	-	-	(12)	(12)
Less: Income Tax on Other Comprehensive Income	-	-	-	3	3
Balance as at March 31, 2020	12,192	33,521	-	(29)	45,684

*In terms of Section 45-IC of the RBI Act 1949, Company is required to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year.

The accompanying notes 1 to 47 are an integral part of the financial statements.

As per our report attached.

***For* Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of Standard Chartered Investments and Loans (India) Limited

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Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investment and Loans (India) Limited
Consolidated Statement of Cash Flows

CIN: U65990MH2003PLC142829 **(INR in Lacs)**

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit before tax	10,159	6,265
Adjustments for:		
Goods & Service Tax written off / (back) (net)	(38)	-
Dividend income	(177)	(168)
Profit on sale of Associate	(1,848)	-
Net gain or loss on foreign currency transaction	-	63
Provision for Employee Benefits	66	159
Interest on Fixed Deposits	(254)	(294)
Accrued Interest on Investments	30	(46)
Interest on Debt Securities	10,935	4,743
Impairment on financial instruments (Net)	1,297	254
Depreciation and amortisation expenses	506	383
	20,676	**11,359**
Working capital changes:		
(Increase)/decrease in trade receivables	166	(235)
(Increase)/decrease in Loans	(22,227)	(67,817)
Increase/ (Decrease) in other financial & non financial liabilities	(1,021)	112
Increase/(Decrease) in other financial assets	(36)	(151)
Increase/(Decrease) in other non- financial assets	60	-
Net cash flows from operations	**(2,382)**	**(56,732)**
Income taxes(paid)/ refund	1,147	(2,914)
Net cash flows from/(used in) operating activities	**(1,235)**	**(59,646)**
Cash flows from investing activities		
Interest received on Fixed deposits	260	296
Proceeds on sale of investment in Associate held at amortised cost	3,544	-
Proceeds on sale of investment held at FVTOCI	1,555	-
Investments in Debt Securities	-	(11,546)
Dividends received	177	168
Payments for Property, plant and equipment	(15)	(114)
Payments for Capital work in progress	0	(650)
Payments for intangible assets	(136)	(147)
Net cash flows from/(used in) investing activities	**5,385**	**(11,993)**
Cash flows from financing activities		
Dividend paid on Equity Shares	-	(3,695)
Issue of Inter Corporate Deposits	6,400	1,800
Repayment of Inter Corporate Deposits	(1,500)	(2,200)
Proceeds from Issue of Non Convertible Debentures	15,000	-
Proceeds from Issue of Commercial Papers	297,469	242,225
Repayment of Commercial Papers	(333,000)	(172,500)

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STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
Consolidated Statement of Cash Flows

CIN: U65990MH2003PLC142829

Issue of Borrowings (Working Capital Loans)	71,000	19,500
Repayment of Borrowings (Working Capital Loans)	(59,738)	-
Lease rental paid (finance charge on lease rentals)	(54)	-
Net cash flows from/(used in) financing activities	**(4,423)**	**85,130**
Net increase in cash and cash equivalents	**(273)**	**13,491**
Cash and cash equivalents at the beginning of the year	18,925	5,434
Cash and cash equivalents at the end of the year	**18,652**	**18,925**

The accompanying notes 1 to 47 are an integral part of the financial statements.

As per our report attached.

***For* Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No: 117365W

Pallavi A. Gorakshakar
Partner
Membership No: 105035

15 June 2020
Mumbai

For and on behalf of the Board of Directors of
Standard Chartered Investments and Loans (India) Limited

Zarin Daruwala
Director
DIN No: 00034655

Prashant Kumar
MD & CEO
DIN No: 08584379

Priya Ranjit
COO & CFO
ACA: 117771

Saket Maheshwari
Head of Finance & CS
ACS: 21823

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. *

1. Corporate Information

The Consolidated financial statements comprise financial statements of Standard Chartered Investments and Loans (India) Limited ("the Parent Company") and its associate, Standard Chartered (India) Modeling and Analytics Centre Private Limited ('SCMAC'), (hereinafter referred to as "Group") for the year ended March 31, 2020.

Standard Chartered Investments and Loans (India) Limited was incorporated under the Companies Act, 1956 on October 22, 2003. The Parent Company was issued a registration certificate dated February 14, 2004, by the Reserve Bank of India ('RBI') to act as a Category B Non – Banking Financial Company ('NBFC') not accepting public deposits. The entire share capital of the Parent Company is held by Standard Chartered Bank, United Kingdom and its nominees. The activities of the Parent Company involve lending and investments.

The Parent Company held 26% stake in the Equity share capital of SCMAC till December 9, 2019. In accordance with the requirement of Section 129(3) of the Companies Act, 2013, the Group has prepared consolidated financial statements for the year ended March 31, 2020 considering it continued to hold interest in the SCMAC for part of the year.

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The Group has prepared its consolidated financial statements in accordance with Indian Accounting standard (Ind AS) (Ind AS-110 Consolidated Financial Statements) and other Ind AS notified under section 133 of the Companies Act, 2013 as applicable, read together with companies (Indian accounting standard) rules, 2015 and the relevant provisions of the Companies Act, 2013, and the guidelines issued by the RBI in respect of NBFCs ('RBI guidelines'), as adopted consistently by the Group to the extent applicable.

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

Investment in Standard Chartered (India) Modeling And Analytics Centre Private Limited (SCMAC) is accounted for using the equity method of accounting as laid down under Ind AS 28, 'Investment in Associate and Joint Venture'. The investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the acquisition date, till the date of its being an Associate of the Parent Company.

The Parent Company at its meeting of the Board of Directors dated May 16, 2019 approved sale of investments (SCMAC) to its holding Company Standard Chartered Bank, United Kingdom (SCB UK). The sale transaction was completed in December 2019 and accordingly SCMAC is considered as an associate till such date.Refer Note 44 for further details of the sale.

2.2 Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities, as on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Recognition of interest income

2.3.1 Effective interest rate

Under Ind AS 109 'Financial Instruments' interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at Fair value through other comprehensive income. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan.

2.4 Financial Instruments

2.4.1 Recognition and Initial measurement of financial instruments

Financial assets and liabilities, with the exception of loans, debt securities, inter - corporate deposits and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Loans are recognised when funds are transferred to the customers' account. The Group recognises debt securities, inter - corporate deposits and borrowings when funds reach the Group.

Financial assets and financial liabilities are initially measured at fair value/transaction price. Subsequent measurement of the financial assets and financial liabilities is dependent on their classification.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair values through profit and loss (FVTPL)) are added to or deducted from their respective fair value on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account those characteristics of the asset or liability which a market participants would take into account when pricing the asset or liability. Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety.

Refer note 2.5.5 below for more details on fair value hierarchy.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

2.4.2 Classification and subsequent measurement of financial assets and liabilities

All recognised financial assets that are within the scope of Ind AS 109 are subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Specifically:

a) Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;

b) Debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are SPPI, are subsequently measured at FVTOCI;

c) All other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

The Group may make the following irrevocable election / designation at initial recognition of a financial asset on an asset by-asset basis: the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in Other Comprehensive Income.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

The Group measures Bank balance, Loans, Trade receivables, Investments and other financial instruments at amortised cost if both of the following conditions are met.

a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.

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

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios.

In assessing whether the contractual cash flows have SPPI characteristics, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

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.

2.5 Financial assets and liabilities

2.5.1 Financial assets held at amortised cost and fair value through other comprehensive income

Debt instruments held at amortised cost have contractual terms that give rise to cash flows that are solely payments of principal and interest (SPPI characteristics). Principal is the fair value of the financial asset at initial recognition but this may change over the life of the instrument as amounts are repaid. Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs, as well as a profit margin.

2.5.2 Equity instruments designated as held at FVOCI

Non-trading equity instruments acquired for strategic purposes rather than capital gain may be irrevocably designated at initial recognition as held at FVOCI on an instrument by instrument basis. Dividends received are recognised in profit or loss. Gains and losses arising from changes in the fair value of these instruments, including foreign exchange gains and losses, are recognised directly in equity and are never reclassified to Statement of Profit and Loss even on derecognition.

2.5.3 Financial assets and liabilities held at 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.

2.5.4 Financial liabilities including Debt securities held at amortised cost

Financial liabilities that are not financial guarantees or loan commitments and that are not classified as financial liabilities held at fair value through profit or loss are classified as financial liabilities held at amortised cost.

2.5.5 Determination of Fair value of financial assets and liabilities

The fair values of quoted financial assets and liabilities in active markets are based on current prices. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If the market for a financial instrument, and for unlisted securities, is not active, the Group establishes fair value by using valuation techniques and judgements ranging from determining comparable companies to discount rates e.g. Discounted Cash Flow (DCF).

The Group classifies assets and liabilities carried at fair value or for which fair values are disclosed into three levels according to the observability of the significant inputs used to determine the fair values.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Fair value Hierarchy

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

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

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

There has been no transfer between level 1, level 2 and level 3 for any of the years reported in these financial statements.

2.5.6 Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Group is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of expected credit loss requirements.

2.6 De-recognition of financial assets and liabilities

A financial asset is derecognised when the rights to receive cashflows from the financial assets have expired.

The Group also derecognises a financial asset such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or originated credit impaired financial asset (POCI).

2.7 Impairment of financial assets

The calculation of credit impairment provisions involves expert credit judgement applied by the credit risk management team based on credit rating agencies benchmarks, counterparty information from various sources including relationship managers and external market information.

2.7.1 Expected credit losses

Expected credit losses are determined for all financial debt instruments that are classified at amortised cost or fair value through other comprehensive income, undrawn commitments and financial guarantees.

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee.

2.7.2 Measurement

For Corporate loan portfolios, the estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD). The Group has adopted approach of estimating PDs based on CRISIL rated Corporate Depositary Receipts for BBB rated customers as external benchmark and also takes into account forward looking information. The credit risk assessment is based on a standardized LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held and also takes into account forward looking information.

The Loans against Shares (LAS) portfolio, is extended on the basis of a collateral cushion (i.e. the difference between the exposure of the facility and the market value of the collateral). The value of the collateral is updated and monitored daily, and any decrease in the collateral cushion below a specified threshold leads to a grace period (in which the customer is asked to top up the security), followed by the liquidation of sufficient collateral to restore the cushion. There are different thresholds for different security types in line with RBI policy for Equity/Equity MF/ Debt Funds. The credit line of each exposure is reviewed annually. Due to the high level of collateral, the exposures are at a very low risk, with no historical loss experience. These have been appropriately factored for the purpose of ECL.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the Group is exposed to credit risk.

The Group applies a simplified approach for trade receivables. It recognizes impairment loss allowance based on lifetime expected credit losses (ECLs) at each reporting date, right from its initial recognition. The Group exercises its judgement and based on past history of recovery, creditworthiness of its counter party and existing market conditions to estimate the lifetime expected loss for the Trade receivables.

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2.7.3 Recognition

Stage 1- 12 months expected credit loss.

Expected credit losses are recognised at the time of initial recognition of a financial instrument and represent the lifetime cash shortfalls arising from possible default events up to 12 months into the future from the balance sheet date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit-impaired. If an instrument is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

Stage 2- Significant increase in credit risk (SICR)

SICR is assessed by comparing the risk of default at the reporting date to the risk of default at origination. Whether a change in the risk of default is significant or not is assessed using quantitative and qualitative criteria.

a) Quantitative criteria: Across all portfolios, accounts that are 30 or more days past due (DPD) on contractual payments of principal and/or interest are considered to have experienced a significant increase in credit risk.

b) Qualitative criteria: Qualitative factors that indicate that there has been a significant increase in credit risk include processes linked to current risk management, such as placing loans on non-purely precautionary early alert.

c) For Corporate clients: All assets of clients that have been placed on early alert (for non-purely precautionary reasons) are deemed to have experienced a significant increase in credit risk. An account is placed on non-purely precautionary early alert if it exhibits risk or potential weaknesses of a material nature requiring closer monitoring, supervision or attention by management. Weaknesses in such a borrower's account, if left uncorrected, could result in deterioration of repayment prospects and the likelihood of being downgraded.

   Indicators could include a rapid erosion of position within the industry, concerns over management's ability to manage operations, weak/deteriorating operating results, liquidity strain and overdue balances among other factors. All client assets that have been assigned a CG12 rating, equivalent to 'higher risk', are deemed to have experienced a significant increase in credit risk.

d) For Retail and Private Banking clients, significant increase in credit risk is assessed by referencing the nature and the level of collateral against which credit is extended.

Stage 3 - Credit-impaired (or defaulted) exposures

Financial assets that are credit-impaired (or in default) represent those that are 90 days past due in respect of principal and/or interest.

In determining significant increase in credit risk of loan assets and also in determining default of loan assets as at the reporting period, the special dispensation granted to identified loan assets in accordance with COVID19 Regulatory Package notified by the Reserve Bank of India (RBI) have been applied by the Parent Company.

2.8 Collateral valuation

To mitigate its credit risks on financial assets, the Group seeks to use collateral, where possible. The collateral consists of cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and others. Collateral, unless repossessed, is not recorded on the Group's Balance Sheet. However, the fair value of collateral affects the calculation of ECL.

The Group calculates ECL either on a collective or an individual basis.

Asset classes where the Group calculates ECL on an individual basis include all Stage 3 assets, regardless of the class of financial assets.

For Stage 1 & Stage 2 assets, the Group calculates ECL on a collective assessment on the principles laid down in the Note 2.7.2 above.

2.9 Write-offs

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it).

2.10 Foreign currency transactions

Transactions in foreign currencies are initially recorded in the functional currency at the spot rate of ex-change ruling at the date of the transaction.

Assets and Liabilities of the Group are presented in INR which is also the functional currency of the Group.

Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency at the spot rate of exchange at the reporting date. All differences arising on non-trading activities are taken to other income/expense in the Statement of Profit and Loss.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.11 Leasing

As a Lessee, the Group 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 Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the 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 Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group 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 are recognised as a Rent expenses in the statement of profit and loss over the lease term. The related cash flows are classified as operating activities.

2.12 Recognition of income and expense

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable.

Fees and commissions charged for services provided or received by the Group are recognised on an accrual basis when the service has been provided or significant act performed.

Loan syndication fees are recognised as revenue when the syndication has been completed and the Group retained no part of the loan package for itself, or retained a part at the same effective interest rate as for the other participants.

2.13 Discount and issue expenses

Discount on commercial paper issued is amortised on a constant effective yield basis over the tenure of the instrument. Debt issue expenses include stamp duty and fees paid to credit rating agencies relating to the issue of commercial paper, which are accounted for as follows:

a) Stamp duty expenses are amortised on a straight-line basis over the life of the instrument.
b) Fees paid to credit rating agencies are amortised on a straight-line basis over the period for which the instrument has been rated.

2.14 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash balances with banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.15 Property, plant and equipment (PPE)

PPE are carried at cost of acquisition less accumulated depreciation and impairments, if any. Acquisition cost includes all expenses incidental to the acquisition of the PPE and any attributable cost of bringing the asset to its working condition for its intended use.

From the current year Individual PPE costing less than INR 50,000 are not capitalised, these are expensed out in the year of purchase.

Depreciation is provided on straight-line method over estimated useful life of the asset, as per the management's internal assessment, subject to minimum useful life prescribed under the Companies Act, 2013. On disposal of fixed assets, the profit or loss is calculated as the difference between net sales proceeds and the net carrying amount as on the date of sale. The depreciation rates are as follows:

(INR Lacs)

PPE	Rate of Depreciation
Computer hardware	33.33%
Office equipment	20%
Furniture and fittings	20%
Premises	2%

2.16 Intangible Assets

Intangible assets (computer software) are capitalised based on the cost incurred to acquire and put to use. These costs are amortised over the expected useful lives, subject to a maximum of three years.

2.17 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists the Group estimates the assets recoverable amount i.e. fair value less costs of disposal and its value in use.

2.18 Employee Benefits

2.18.1 Provident Fund

The Group contributes provident fund amount to Regional Provident Fund Commissioner's Office (EPFO) for all its eligible employees. The contributions are accounted for on an accrual basis and recognised in the Statement of Profit and Loss.

2.18.2 Share based payments

Cash-settled share based payment to employees and others providing similar services are measured at fair value at the end of each reporting period.

2.18.3 Gratuity (Unfunded)

The Group's gratuity benefit scheme is a defined benefit plan. The Group'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 the present value of the obligation under the defined benefit plan.

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 immediately in Other Comprehensive Income under the Statement of Profit and Loss.

2.19 Provisions and Contingencies

The Group 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, 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.

2.20 Taxes

2.20.1 Current Tax

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 effect of timing differences between accounting income and taxable income for the year).

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.

The recently promulgated Taxation Laws (Amendment) Ordinance 2009 has inserted section 115BAA in the income Tax Act 1961 providing existing domestic companies with an option to pay tax at concessional rate of 22% plus applicable surcharge & cess. The reduced tax rates come with the consequential surrender of specified deductions & incentives. The option needs to be exercised within the prescribed time for filing the return of income under section 139(1) of the Income tax Act 1961 for assessment year (AY) 20-21 or subsequent AYs. Once exercised, such an option cannot be withdrawn for the same or subsequent AYs. These financial statements are prepared on the basis that the Group would avail the option to pay income tax at the lower rate

2.20.2 Deferred Tax

Income tax payable on profits is based on the applicable tax law in each jurisdiction and is recognised as an expense in the period in which profits arise. Deferred tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted as at the balance sheet date, and that are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Current and deferred tax relating to items which are charged or credited directly to equity, is credited or charged directly to equity and is subsequently recognised in the income statement together with the current or deferred gain or loss.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2.20.3 Goods & Services Tax (GST)

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

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2.21 *Dividend on equity shares*

Dividends on ordinary equity shares are recorded in the year in which they are declared and, in respect of the final dividend, have been approved by the shareholders.

The Group recognises a liability to make cash or non-cash distributions to equity holders.

2.22 *Segmental reporting*

The Group's segmental reporting is in accordance with Ind AS 108 Operating Segments and is reported consistent with the internal performance framework and as it is presented to the Group's Management Team (Board of Directors i.e. the chief operating decision makers). Accordingly, there is one business segment pertaining to lending and ancillary activities and also the business operations are concentrated in India.

2.23 *Earnings per share*

The basic EPS is computed by dividing the net profit 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 the weighted average number of shares considered for deriving basic earnings per share and 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.

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STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. *

3. Critical accounting judgements and estimates

3.1 Impairment of financial assets

The provision for expected credit loss involves estimating the probability of default and loss given default based on Group's assessment and experience. The calculation of credit impairment provisions involves expert credit judgement applied by the credit risk management team based on credit rating agencies benchmarks, counterparty information from various sources including relationship managers and external market information. Refer note 2.7.

3.2 Leases

The Group during the year ended March 31, 2020 has adopted Ind AS 116 – "Leases" with effect from April 01, 2019 and applied the modified retrospective approach. Accordingly the lease liability at the present value of remaining lease payments at the date of initial application i.e. April 01, 2019 has been recognised and "Right to use assets" has been recognised at an amount equal to the "Lease liability" as at that date. In the Statement of Profit and Loss for the current period, the nature of expenses in respect of leases has changed from lease rent in previous periods to depreciation cost for "Right to use lease assets" and interest accrued on "Lease liability". The Group has not restated the comparative information in this respect

On applicability of Ind AS 116 from current year and at inception of each contract during the year, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. There is judgement involved in determination of whether the contract is service contract or lease contract, which in turn determines the accounting of the contract. The Group has exercised this judgement based on analysis of terms of the contracts against the provisions / guidelines of the Indian accounting standard (Ind AS) 116.

The Group exercises judgement and estimates the lease term based on its assessment whether it is reasonably certain to exercise an option to extend the lease or exercise an option to purchase an underlying asset or not to exercise an option to terminate the lease. In making these assessments, the Group considers all relevant facts and circumstances that create an economic incentive for it to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group makes this judgement based on the facts and circumstances and business conditions.

For each lease, the Group as a lessee accounts for the lease liability at present value of the lease payments discounted at incremental borrowing rate (IBR). The Group estimates the incremental borrowing rate used for discounting the lease payments based on long term loan borrowing rates adjusted as needed for the term of the contract.

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Notes to the Consolidated financial statements (*Continued*)
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4. Cash and cash equivalents (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
(a) In Current Accounts	18,652	2,925
(b) Fixed Deposits(Less than 3 months)	-	16,000
Total	**18,652**	**18,925**

5. Trade Receivables (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables		
Unsecured considered good	69	235
Less: Expected credit losses	-	-
Total	**69**	**235**

Note: There are no receivables where there is significant increase in credit risk or are credit impaired.

6. Loans (At Amortised cost) (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Advances		
Term Loans	208,025	186,900
Gross	**208,025**	**186,900**
Less: Impairment loss allowance	(2,271)	(2,177)
Net	**205,754**	**184,723**
(i) Secured by tangible assets and intangible assets	134,440	133,295
(ii) Unsecured	73,585	53,605
Gross	**208,025**	**186,900**
Less: Impairment loss allowance	(2,271)	(2,177)
Total	**205,754**	**184,723**
Loans In India		
(i) Public Sectors	-	-
(ii)Others	208,025	186,900
Gross	208,025	186,900
Less: Impairment loss allowance	(2,271)	(2,177)
Net	**205,754**	**184,723**
Total	**205,754**	**184,723**

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

7. Investments

(INR Lacs)

Particular	As at March 31, 2020			As at March 31, 2019		
		At Fair Value			At Fair Value	
	Amortised cost	Through other comprehensive income	Total	Amortised cost	Through other comprehensive income	Total
Investments						
Debt securities (1)	11,517	-	11,517	11,546		11,546
Fellow Subsidiary (2)	-		-	-	1,555	1,555
Associate (2)			-	1,696		1,696
Total – Gross (A)	**11,517**	**-**	**11,517**	**13,242**	**1,555**	**14,797**
(i) Overseas Investments	-	-	-			
(ii) Investments in India	11,517		11,517	13,242	1,555	14,797
Total (B)	**11,517**	**-**	**11,517**	**13,242**	**1,555**	**14,797**
Less: Impairment loss allowance	(49)	-	(49)	(64)		(64)
Total – Net	**11,468**	**-**	**11,468**	**13,178**	**1,555**	**14,733**

1. Investment in Debt securities

11,500,000 (Previous year: 11,500,000) Non Convertible Debentures of face value of INR 100 each of Aadarshini Real Estate Developers Private Limited.

2. Investment in Associate and Fellow subsidiary

Investment in 1,109,300 Equity shares of fellow subsidiary, Standard Chartered Finance Private Limited (SCFL) of face value of INR 10 each, fully paid up and investment in 13,000,000 Equity shares of associate, Standard Chartered (India) Modeling And Analytics Centre Private Limited (SCMAC), of face value of INR 10 each of, fully paid up have been sold to the holding Company Standard Chartered Bank, United Kingdom (SCB UK). Refer Note 44.

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Notes to the Consolidated financial statements (*Continued*)
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8. Other Financial Assets (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Interest accrued on fixed deposits	-	6
Other receivables	1,144	100
Total	1,144	106

9. Current tax assets and liabilities (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Current tax assets		
Advance tax (Net)	11,318	15,204
Current tax liabilities		
Income tax provision (Net)	3,229	3,229
Net	8,089	11,975

10. Deferred tax balances (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (Net)	837	460

(INR Lacs)

For the year ended March 31, 2020	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	48	2	-	50
Expected Credit Loss	240	342	-	582
Provisions	576	(291)	-	285
Unamortised Fees	155	1	-	156
Interest on Income Tax Refund	(783)	533	-	(250)
Others	224	(212)	2	14
Total	460	375	2	837

The Government of India vide Ordinance No. 15 of 2019 dated March 31, 2020 amended the income tax provisions by inserting section 115BAA. As per the amended provisions, the Company has opted to pay tax at rate of 22% plus applicable surcharge and cess subject to the conditions mentioned under the amended provisions and recognised the effect of change by revising the annual effective income tax rate. Due to reduced tax rate, the Company has re-measured its Net Deferred Tax Assets as at April 1, 2019 and the impact of this change has been fully recognised in the Statement of Profit and Loss Account under "Tax expense" for the year ended March 31, 2020

(INR Lacs)

For the year ended March 31, 2019	Opening balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Property, plant and equipment	35	13	-	48
Expected Credit Loss	185	55	-	240
Provisions	1175	(599)	-	576
Unamortised Fees	167	(12)	-	155
Interest on Income Tax Refund	(451)	(332)	-	(783)
Others	206	13	5	224
Total	1,317	(862)	5	460

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STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

11. Property, Plant and Equipment

(INR Lacs)

Particular	As at March 31, 2020					As at March 31, 2019			
	Furniture and Fixtures	Office Equipments(*)	Premises	Right to Use Assets (Premises)	Total	Furniture and Fixtures	Office Equipments(*)	Premises	Total
At cost at the beginning of the year	1	171	216	-	388	1	59	216	276
Additions	-	15	-	250	265	-	114	-	114
Disposals/ Termination	-	-	-	(45)	(45)	-	(2)	-	(2)
At cost at the end of the year	1	186	216	205	608	1	171	216	388
Accumulated depreciation/ amortization as at the beginning of the year	-	57	18	-	75	-	30	14	44
Depreciation/ Amortization for the year	-	46	5	48	99	-	29	4	33
Disposals/ Termination	-	-	-	(8)	(8)	-	(2)	-	(2)
Accumulated depreciation/ amortization at the end of the year	-	103	23	40	166	-	57	18	75
Net carrying amount as at the end of the year	1	83	193	165	442	1	114	198	313

*Office Equipments includes Computer hardware.

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12. Other Intangible assets (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
At cost, beginning of the year (Computer Software)	1,204	1,089
Additions	420	147
Deletion		(32)
Total cost	**1,624**	**1,204**
At beginning of the year	836	486
Amortisation/ Adjustments	407	350
Total amortisation and impairment	**(1,243)**	**(836)**
Net carrying amount	**381**	**368**

13. Other Non-financial Assets (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	88	41
Balances with Government Authorities	46	153
Total	**134**	**194**

14. Payables (INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Total	-	-

Trade Payables includes payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid / is payable by the Company during the year to "Suppliers" registered under this act. The above is based on the information available with the Company which has been relied upon by the Auditors.

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15. Debt Securities (At Amortised Cost) (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Commercial paper (CP)	104,500	130,500
Unamortised discount of (CP)	(1,758)	(3,162)
Non-Convertible Debentures (Secured)	15,000	
Total	**117,742**	**127,338**
Debt securities in India (Refer Note 43)	117,742	127,338
Debt securities outside India	-	-
Total	**117,742**	**127,338**

16. Borrowings (At Amortised cost) (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
(a)Term loans		
from Banks (Refer Note 43)	30,762	19,500
(b) Finance lease obligation	176	-
Total	**30,938**	**19,500**
Borrowings in India	30,938	19,500
Borrowings outside India		-
Total	**30,938**	**19,500**

17. Deposits (At Amortised cost) (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Deposits :		
i) From Banks	-	-
ii) From Corporate (Unsecured)	4,900	-
Total	**4,900**	**-**

The outstanding Intercorporate deposits are borrowed at average rate of 7.06% (FY 2018-19 - Nil). Their average residual maturity is 217 days (FY 2018-19 - Nil).

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18. Other Financial Liabilities (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Interest accrued but not due	1,102	78
Other payables	1,049	2,022
Total	**2,151**	**2,100**

19. Provisions (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
(a) Provision for employee benefits		
Provision for Gratuity	179	136
Other provisions	100	66
(b) Others		
Expected Credit Loss on loan commitments	45	1
Total	**324**	**203**

20. Other Non Financial Liabilities (INR Lacs)

Particular	As at March 31, 2020	As at March 31, 2019
Statutory dues	158	207
Total	**158**	**207**

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21. Equity share capital **(INR Lacs)**

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised:		
460,000,000 (Previous year: 460,000,000) Equity shares of Rs.10 each	46,000	46,000
Issued, subscribed and paid-up:		
454,385,000 (Previous year : 454,385,000) Equity shares of Rs.10 each fully paid up	45,439	45,439
A. Reconciliation of number of shares (No of shares):		
Number of shares at the beginning of the year	454,385,000	454,385,000
Number of shares at the end of the year	454,385,000	454,385,000
B. Reconciliation for the amount of share capital		
At the beginning of the year	45,439	45,439
At the end of the year	45,439	45,439

C. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity share is entitled to one vote per share. There are no restrictions on payment of dividend to equity shareholders. The Company declares and pays dividend to its shareholders in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended March 31, 2020 the amount of per share dividend recognised as distributions to equity shareholders was INR. Nil (Previous Year: INR. Nil).

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

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

The entire share capital is held by Standard Chartered Bank, United Kingdom and its nominees.

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22. Interest income (on Assets held at Amortised Cost) **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on Loans	24,586	12,438
Interest income from investments	1,297	46
Total	**25,883**	**12,484**

23. Other income **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest on deposits with Banks	254	294
Dividend income	177	168
Interest on tax refunds	2	1,139
Others	6	13
Total	**439**	**1,614**

24. Finance cost (on Liabilities held at Amortised cost) **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(a) Interest Costs		
Interest on deposits (ICD)	72	35
Interest on borrowings	2,076	383
Interest on debt securities	11,827	4,743
Other finance costs	329	225
Total	**14,304**	**5,386**

25. Impairment losses on financial instruments (on Assets held at Amortised Cost) **(INR Lacs)**

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
On Loans including commitments (net)	1,496	190
On investments	(15)	64
Loans written off (net) (*)	(184)	-
Total	**1,297**	**254**

(*)The Gross loans written off is Rs. 1,091 lacs and Rs. 1,994 lacs for the year ended March 31 2020 and March 31 2019 respectively

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26. Employee benefits

(INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salaries and wages including bonus	1,720	1,464
Contribution to provident and other funds	94	50
Share Based Payments to employees (*)	(176)	225
Staff welfare expenses	5	7
Others staff costs	4	10
Total	**1,647**	**1,756**

(*) After netting off Rs. 176 Lacs towards reversal of provisions towards Share Based Payments to employees in an earlier year no longer required now

27. Depreciation and amortisation expense

(INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Depreciation/ Amortisation	99	33
Amortisation of intangible assets	407	350
Total depreciation and amortisation expense	**506**	**383**

28. Other expenses

(INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent	162	148
Business support costs	87	69
Support service charges	0	240
Corporate Social Responsibility Costs	133	145
Repairs and maintenance	225	265
Communication Costs	12	4
Travel & Accommodation	28	24
Printing and stationery	10	6
Goods & Service Tax written off / (back) (net)	(38)	178
Directors fees, allowances and expenses	24	6
Auditor's fees and expenses	25	24
Legal and Professional charges	74	36
Other expenditures	211	128
Total	**953**	**1,273**

28.1 Payments to auditors

(INR Lacs)

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
a) For audit	18	18
b) For other services	6	5
c) For reimbursement of expenses	1	1
Total	**25**	**24**

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29. Contingent liabilities and commitments

(INR Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Loan commitments	7,753	500
Contingent liabilities (Taxation)	5,376	5,376
Total	**13,129**	**5,876**

The timing of outflows of economic benefits cannot be ascertained as the demands are disputed and the Company has preferred an appeal against the said demands

30. Risk Management

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Board appointed Risk Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Committee is responsible for managing risk decisions and monitoring risk levels and reports. The Risk and Process owners are responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Committee, to ensure that procedures are compliant with the overall framework.

30.1 Credit Risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Company's concentrations of risk are managed by client/counterparty and industry sector.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

(INR Lacs)

Expected Credit Loss

30.1.1 Credit quality of assets

Loan Book	As at March 31, 2020	As at March 31, 2019
Stage 1	160,216	177,757
Stage 2	47,809	6,750
Stage 3	-	2,393
Total	208,025	186,900

30.1.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is, as follows:

Reconciliation of the gross carrying amount of Loan Book

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	177,757	6,750	2,393	186,900	108,770	7,290	5,043	121,103
New assets originated or purchased	246,141	-	-	246,141	166,690	-	-	166,690
Assets derecognised or repaid (excluding write offs)	(220,361)	(2,262)	(1,302)	(223,925)	(97,703)	(540)	(656)	(98,899)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(43,321)	43,321	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Amounts written off	-	-	(1,091)	(1,091)	-	-	(1,994)	(1,994)
Gross carrying amount closing balance	160,216	47,809	-	208,025	177,757	6,750	2,393	186,900

ECL on Loans	As at March 31, 2020	As at March 31, 2019
Internal rating grade		
Stage 1	569	753
Stage 2	1,702	70
Stage 3	-	1,354
Total	2,271	2,177

Reconciliation of ECL balance on Loan Book is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	753	70	1,354	2,177	428	184	3,534	4,146
Provisions on new financial assets purchased or originated during period*	1,492	334	-	1,826	325	-	-	325
Financial assets that have been derecognised: Repayments	(378)	-	(185)	(563)	-	(114)	-	(114)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(1,298)	1,298	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Unwind of discount	-	-	(78)	(78)	-	-	(186)	(186)
Amounts written off	-	-	(1,091)	(1,091)	-	-	(1,994)	(1,994)
ECL allowance - closing balance	569	1,702	-	2,271	753	70	1,354	2,177

*Includes increase in provision on account of increase in credit risk

Debt Securities	As at March 31, 2020	As at March 31, 2019
Stage 1	11,517	11,546
Stage 2	-	-
Stage 3	-	-
Total	11,517	11,546

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Reconciliation of the gross carrying amount of investment in Debt Security

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	11,546	-	-	11,546	-	-	-	-
New assets originated or purchased	17	-	-	17	11,546	-	-	11,546
Assets derecognised or repaid (excluding write offs)	(46)	-	-	(46)	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	11,517	-	-	11,517	11,546	-	-	11,546

ECL on investment in Debt Securities	As at March 31, 2020	As at March 31, 2019
Stage 1	49	64
Stage 2	-	-
Stage 3	-	-
Total	49	64

Reconciliation of ECL balance on Investment in Debt Securities is given below:

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	64	-	-	64	-	-	-	-
Provisions on new financial assets purchased or originated during period	-	-	-	-	64	-	-	64
Financial assets that have been derecognised: Repayments*	(15)	-	-	(15)	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
ECL allowance - closing balance	49	-	-	49	64	-	-	64

*Includes reversal of provision

Loan Commitments	As at March 31, 2020	As at March 31, 2019
Stage 1	2,753	500
Stage 2	5,000	-
Stage 3	-	-
Total	7,753	500

Reconciliation of the gross carrying amount of Loan Commitments:

Particulars	As at March 31, 2020				March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	500	-	-	500	10,700	-	-	10,700
New assets originated or purchased	7,753	-	-	7,753	500	-	-	500
Assets derecognised or repaid (excluding write offs)	(500)	-	-	(500)	(10,700)	-	-	(10,700)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(5,000)	5,000	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	2,753	5,000	-	7,753	500	-	-	500

ECL on Loan Commitments	As at March 31, 2020	As at March 31, 2019
Stage 1	8	1
Stage 2	37	-
Stage 3	-	-
Total	45	1

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Reconciliation of ECL balance on Loan Commitments is given below:

Particulars	As at March 31, 2020				March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	1	-	-	1	23	-	-	23
Provisions on new financial assets purchased or originated during period	45	-	-	45	1	-	-	1
Financial assets that have been derecognised: Repayments	(1)	-	-	(1)	(23)	-	-	(23)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(37)	37	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
ECL allowance - closing balance	8	37	-	45	1	-	-	1

30.2Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Financial Liabilities (INR Lacs)

Contractual maturities of financial liabilities 31 March 2020	Less than 12 months	More than 12 months	Total
Borrowings	15,857	14,905	30,762
Finance Lease Obligation (at actuals)	51	175	226
Debt securities	104,500	15,000	119,500
Inter Corporate Deposits	4,900		4,900
Other financial liabilities	2,151	-	2,151
Total financial liabilities	127,459	30,080	157,539

Contractual maturities of financial liabilities 31 March 2019	Less than 12 months	More than 12 months	Total
Borrowings	9,072	10,428	19,500
Debt securities	130,500	-	130,500
Trade payables	-	-	-
Other financial liabilities	2,100	-	2,100
Total financial liabilities	141,672	10,428	152,100

Financial Assets (INR Lacs)

Contractual maturities of financial assets 31 March 2020	Less than 12 months	More than 12 months	Total
Cash and cash equivalents	18,652	-	18,652
Trade Receivables	69	-	69
Loans	103,614	102,140	205,754
Investments	11,468	-	11,468
Other Financial assets	1,144	-	1,144
Total financial assets	134,947	102,140	237,087

Contractual maturities of financial assets 31 March 2019	Less than 12 months	More than 12 months	Total
Cash and cash equivalents	18,925	-	18,925
Trade Receivables	235	-	235
Loans	152,541	32,182	184,723
Investments	14,733	-	14,733
Other Financial assets	106	-	106
Total financial assets	186,540	32,182	218,722

30.3 Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

30.4 Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks.

31. Fair Value Measurement

The Group's financial instruments are carried at fair value. The difference between fair value and carrying value is not material

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Financial instruments by category

Particulars	As at March 31, 2020	As at March 31, 2019	
	Amortised cost	FVTOCI	Amortised cost
Financial assets			
Investments			
Equity shares	-	1,555	1,696
Debentures	11,468	-	11,546
Trade Receivables	69	-	235
Loans	205,754	-	184,723
Cash and cash equivalents	18,652	-	18,925
Other Financial assets	1,144	-	106
Total financial assets	**237,087**	**1,555**	**217,231**
Financial liabilities			
Borrowings	30,938	-	19,500
Debt Securities	117,742	-	127,338
Deposits	4,900	-	-
Other financial liabilities	2,151	-	2,100
Trade payables		-	-
Total financial liabilities	**155,731**	**-**	**148,938**

The Group has no financial assets/liabilities held at FVTPL or FVOCI as at March 31, 2020. As at March 31, 2019, the Group had no financial assets/liabilities held at FVTPL or FVOCI other than investment in SCFL which is level 3 instrument. The key assumption used in its fair valuation is discount factor. The impact of increase/decrease in discount rate by 10% will impact the fair valuation as mentioned below.

Sensitivity Analysis (INR Lacs)

	DCF (*) Rate	Valuation	P&L Impact
For the year ended March 31, 2020	DCF @ 19.5%	-	-
	DCF @ 17.7%	-	-
	DCF @ 15.9%	-	-
For the year ended March 31, 2019	DCF @ 19.5%	1,487	(88)
	DCF @ 17.7%	1,555	(20)
	DCF @ 15.9%	1,649	74

(*) DCF: Discounted cash flows

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Collateral Valuation

		Fair Value of Collaterals and Credit Enhancements held				
As at March 31, 2020	Loan outstandings (net of ECL)	Cash	Securities	Guarantees*	Property	Total Collateral
Financial assets						
Loans	205,754	2,696	191,960	73,814	216,940	485,410

* Includes corporate as well as personal guarantees

		Fair Value of Collaterals and Credit Enhancements held				
As at March 31, 2019	Loan outstandings (net of ECL)	Cash	Securities	Guarantees*	Property	Total Collateral
Financial assets						
Loans	184,723	1,299	93,828	89,541	151,474	336,142

* Includes corporate as well as personal guarantees

32. Corporate Social Responsibility (CSR) Expenditure

Details of CSR expenditure of the Group are as below:

- Gross Amount required to be spent during the year – INR 133 (Previous Year: INR 145)
- Amount spent – (INR Lacs)

Description		For the year ended March 31,2020			For the year ended March 31, 2019		
		In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
i)	Construction/acquisition of any asset	-	-	-	-	-	-
ii)	On purposes other than (i) above	133	-	133	145	-	145

33. Earnings per share ('EPS')

The computation of EPS is set out below:

Description	For the year ended March 31, 2020	For the year ended March 31, 2019
Net profit (gross of transfer to statutory reserve) attributable to equity shareholders	7,798	4,468
Weighted average number of equity shares (INR Lacs) outstanding during the year for calculation of earnings per share	4,544	4,544
Basic and Diluted Earnings per share of face value of INR 10	1.72	0.98

The basic and diluted EPS is same as there are no potential dilutive equity shares.

34. Capital management

The Parent Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Group's capital is monitored using, among other measures, the regulations issued by RBI.

35. Disclosure under the 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 and has been relied upon by the auditors, no amounts pertaining to principal and interest were due or remained due as at and for the year ended March 31, 2020 (Previous year: Nil). There have been no reported cases of delay in payments in excess of 45 days to MSME or of interest payments due to delay in such payments.

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36. Expenditure in foreign currency

Unhedged foreign currency exposure is given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Foreign currency	Indian rupee	Foreign currency	Indian Rupee
Payable- USD	1.76	133	14.78	1,021

37. Income taxes

Income Taxes relating to continuing operations

1. Income Tax recognised in profit or loss INR lacs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Tax		
In respect of the current year	2,739	951
In respect of prior years	-	55
Deferred Tax		
In respect of the current year	(378)	861
Total income tax expense recognised in the current year relating to continuing operations	**2,361**	**1,867**

2. Reconciliation of income tax expense of the year can be reconciled to the accounting profit as follows: INR lacs

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Consolidated Profit before tax	**10,159**	**6,265**
Income tax expense calculated at 25.168% (Previous Year 29.12%)	2,557	1,824
Effect of expenses that are not deductible in determining taxable profit	30	36
Effect of incomes which are taxed at different rates	(271)	-
Effect of incomes which are exempt from tax	(45)	(48)
Tax provision for earlier years	(31)	55
Effect on deferred tax balances due to the changes in income tax rate / reversal of deferred tax asset	121	-
Income tax expense recognised in statement of profit and loss	**2,361**	**1,867**

The tax rate used for the reconciliations above is the corporate tax rate of 25.168% for the year 2019-20 and 29.12% for the year 2018-19 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

38. Employee benefits

38.1 Gratuity (Unfunded)

a) Defined Contribution Plan:

Group's contribution to Provident Fund is INR 66 Lacs (PY INR 39 Lacs)

b) Defined Benefit Plan:

The Group provides for its gratuity liability (unfunded) which is a defined benefit scheme based on actuarial valuation of the gratuity liability at the balance sheet date performed by an independent actuary.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
Notes to the Consolidated financial statements
for the year ended March 31, 2020
(INR Lacs)

Ind AS 19 Disclosures- Gratuity

Required Disclosure Tables

Table 1 : Amount recognized in Balance Sheet	**As at March 31, 2020**	**As at March 31, 2019**
Present value of unfunded defined benefit obligation	179	136
Net defined benefit liability / (asset) recognized in balance sheet	179	136
Current	31	24
Non-current	148	112

Table 2 - Current Year Expense Charged to Profit & Loss Account	**As at March 31, 2020**	**As at March 31, 2019**
Current service cost	15	8
Past service cost	1	-
Interest on net defined benefit liability / (asset)	9	2
Total expense charged to profit and loss account	25	10

Table 3 - Amount Recorded as Other Comprehensive Income	**As at March 31, 2020**	**As at March 31, 2019**
Opening amount recognized in OCI outside profit and loss account	23	6
Remeasurements during the period due to		
Changes in financial assumptions	9	(8)
Changes in demographic assumptions	(10)	7
Experience adjustments	14	18
Closing amount recognized in OCI outside profit and loss account	36	23

Table 4 - Reconciliation of Net Defined Benefit Liability / (Asset)	**As at March 31, 2020**	**As at March 31, 2019**
Opening net defined benefit liability / (asset)	136	20
Expense charged to profit & loss account	25	10
Amount recognized outside profit & loss account	12	16
Employer contributions	(21)	(1)
Impact of liability assumed or (settled)*	27	91
Closing net defined benefit liability / (asset)	179	136
* On account of business combination or inter group transfer		

Table 5 - Reconciliation of Defined Benefit Obligation	**As at March 31, 2020**	**As at March 31, 2019**
Opening of defined benefit obligation	136	20
Current service cost	15	8
Past service cost	1	-
Interest on defined benefit obligation	9	1
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	9	(8)
Actuarial loss / (gain) arising from change in demographic assumptions	(10)	7
Actuarial loss / (gain) arising on account of experience changes	14	18
Benefits paid	(21)	(1)
Liabilities assumed / (settled)*	27	91
Closing of defined benefit obligation	179	136

* On account of business combination or inter group transfer

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Standard Chartered Investments and Loans (India) Limited
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(INR Lacs)

Table 6 - Reconciliation of Plan Assets	**As at March 31, 2020**	**As at March 31, 2019**
Employer contributions	21	1
Remeasurements due to:	-	-
Benefits paid	(21)	(1)

Table 7 : Analysis of Defined Benefit Obligation	**As at March 31, 2020**	**As at March 31, 2019**
Defined benefit obligation without effect of projected salary growth	142	114
Plus effect of salary growth	37	23
Defined benefit obligation with projected salary growth	179	136

Table 8 : Results of Sensitivity Analysis	**As at March 31, 2020**	**As at March 31, 2019**
Discount rate		
Impact of increase in 25 bps on DBO.	-1.6%	-1.2%
Impact of decrease in 25 bps on DBO.	1.6%	1.3%
Salary escalation rate		
Impact of increase in 25 bps on DBO	1.0%	0.9%
Impact of decrease in 25 bps on DBO	-1.1%	-0.9%

Table 9 : Summary of Actuarial Assumptions Adopted	**As at March 31, 2020**	**As at March 31, 2019**
Discount rate (p.a.)	6.6%	7.4%
Salary escalation rate (p.a.)	5.0%	5.0%

Table 10: Miscellaneous items (Average Duration & Expected Contribution)	**As at March 31, 2020**	**As at March 31, 2019**
Average duration	6	5
Expected company contribution	31	24

Table 11: Maturity Profile	**As at March 31, 2020**	**As at March 31, 2019**
Expected benefits for year 1	31	24
Expected benefits for year 2	25	23
Expected benefits for year 3	20	21
Expected benefits for year 4	31	18
Expected benefits for year 5	14	24
Expected benefits for year 6	12	13
Expected benefits for year 7	10	11
Expected benefits for year 8	8	10
Expected benefits for year 9	7	9
Expected benefits for year 10 and above	139	58

Table 12: Vested & Non Vested Liability	**As at March 31, 2020**	**As at March 31, 2019**
DBO in respect of non vested employees	21	14
DBO in respect of vested employees	157	122
Total defined benefit obligation	179	136

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

c) Restricted Share Award

The eligible employees of the Group have been granted awards as RSA of the ultimate Parent Company, Standard Chartered PLC, under various share schemes such as Deferred Restricted Share Awards, Performance Share Awards, Share save Plan, etc.

During the year, the Company has reversed an amount of INR -176 under the head Employee Benefits Note 26.

For previous year, the Parent Company has recognised INR 225 under the head 'Employee Benefit Expenses' as cost on account of share-based payment under Note 26 based on full costs towards such awards being recovered by the ultimate Parent Company.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD. ★

Standard Chartered Investments and Loans (India) Limited
Notes to the Consolidated financial statements
for the year ended March 31, 2020
(INR Lacs)

39. Related Parties' Disclosure

Name of Related Party	**Nature of relationship**
➢ Standard Chartered PLC	Ultimate Parent Company
➢ Standard Chartered Bank – UK (SCB UK)	Holding Company
Below includes only those related parties with whom transactions have occurred during current year / previous year:	
➢ Standard Chartered Bank – India Branches ('the Bank') (SCB India)	Branch of Holding Company
➢ Standard Chartered Bank – Singapore Branch ('the Bank') (SCB Singapore)	Branch of Holding Company
➢ Standard Chartered Bank – UK (SCB UK)	Holding Company
➢ Standard Chartered Global Business Services Private Limited (SCGBS)	Fellow subsidiary
➢ Standard Chartered Securities (India) Limited (SCSI)	Fellow subsidiary
➢ Standard Chartered Finance Private Limited (SCFL)	Fellow subsidiary
➢ Standard Chartered (India) Modeling and Analytics Centre Private Limited (SCMAC)	Associate enterprise
➢ Mr. Souvik Sengupta (Resigned as MD & CEO on October 31, 2019)	Key Managerial Personnel
➢ Mr. Prashant Kumar (Appointed as MD & CEO w.e.f. November 01, 2019)	Key Managerial Personnel
➢ Mr. Siddhartha Sengupta (Appointed w.e.f. June 14, 2019)	Non - Executive Independent Director
➢ Mr. G V Gopalakrishnan (Appointed w.e.f. June 14, 2019)	Non - Executive Independent Director
➢ Mr. Neil Percy Francisco (Appointed w.e.f. July 8, 2019)	Non - Executive Independent Director
➢ Ms. Richa Tripathi (Resigned as COO & CFO on October 31, 2019)	Key Managerial Personnel
➢ Ms. Priya Ranjit (Appointed as COO & CFO w.e.f. November 11, 2019)	Key Managerial Personnel
➢ Mr. Saket Maheshwari	Key Managerial Personnel

Standard Chartered Investments and Loans (India) Limited
Notes to the Consolidated financial statements
for the year ended March 31, 2020
(INR Lacs)

(INR Lacs)

Transactions	For the year ended March 31, 2020	For the year ended March 31, 2019
Transactions with SCB India		
Rental Charges	112	107
Receiving of Services(#)	0	591
FD Interest	79	271
Short term loan taken	48,000	11,500
Short term loan paid	(48,000)	(11,500)
Interest on Short term loan	83	11
Commitment fee paid	150	150
Fixed Deposits placed	92,500	238,400
Fixed Deposits matured	(92,500)	(238,400)
Gratuity fund	36	91
O/D Interest	-	12
Service Charges	-	1
Transaction with SCSI		
Rent Income	1	-
Rental charges	14	39
Reimbursement of Expense	0	-
Purchase of Asset	3	-
Transaction with SCMAC	-	
Dividend income	177	119
	-	-
Transactions with SCFPL		
Interest Payable (Net of TDS)	25	-
Interest Expenses	28	-
Dividend Income	-	49
Transactions with SCGBS		
Business Support Cost	87	69
Transactions with SCB Singapore		
Miles software payment	1,081	-
Other Service Charges	19	-
Transaction With SCB UK		
Share based payments	(176)	225
Sale of investment in Standard Chartered Finance Pvt. Ltd	(1,555)	-
Sale of investment in Standard Chartered (India) Modeling and Analytics Centre Pvt Ltd	(3,544)	-
Dividend For FY 2018-2019	-	3,065
Transactions with Directors and Others		
Salaries and other employee benefits to Directors (*) and Key Managerial Personnel (*)	363	531
Sitting Fees paid to Independent Non- Executive Directors	24	5

(*) Includes remuneration paid to Directors and Key Managerial Personnel, of which few employees were employed for part of the year.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

(INR Lacs)

Balances	As at March 31, 2020	As at March 31, 2019
Balances with SCB India	240	258
Balance with SCB India receivable for Gratuity fund	127	100
Closing Bank Balance with SCB India	17,857	2,697
Sundry balances - payable for rent with SCSI	2	6
Sundry balances - receivable for rent with SCSI	7	-
Inter Corporate Deposits outstanding of SCFPL	2,400	-
Balance with SCFPL- Investment in Equity shares	-	1,555
Balance with SCMAC- Investment in Equity shares	-	1,771
Outstanding expense payable to SCGBS	10	8
Share option balance with SCB UK	(133)	(309)
Sundry balances - receivable for service charges with SCB Singapore	(8)	-
Sundry balances - payable for MILES software with SCB Singapore	-	1,021

(#) Amounts less than One Lac, on account of rounding off are disclosed as Nil.

40. Support service charges

SCB India incurs expenditure on support functions like Property, Human Resources, Taxation, Legal, Information Technology, etc., which is for the common benefit of it and other Standard Chartered Group companies in India. Such costs are recovered from the Parent Company and other Standard Chartered Group companies based on identifiable criteria. This expenditure is disclosed as Support Service Charges by the Parent Company and it is amounting to INR 0.2 Lacs for the year ended March 31, 2020 and INR 240 Lacs for the year ended March 31, 2019.

41. Business support cost

Standard Chartered Global Business Services Pvt. Ltd. ('SCGBS') provides a wide range of services like banking operations, finance and accounting services, IT service, etc and other Standard Chartered Group companies. 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 business support cost amounting to INR 87 Lacs for the year ended March 31, 2020 and INR 69 Lacs for the year ended March 31, 2019.

42. Transfer pricing

The Group has established a system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income Tax Act, 1961.

The Group's international transactions with associated enterprises are at arm's length as per the independent accountant's report for the year ended March 31, 2019. The Group is in the process of updating the documentation for the international transactions entered with the associated enterprises during the period subsequent to March 31, 2019. Management believes that the Group's international transactions with associated enterprises post March 31, 2019 continue to be at arm's length and that the transfer pricing legislation will not have any impact on the financial statements particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the year end.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

43. Details of Debt Securities and Borrowings as at :

Residual Maturity of Debt Securities	As at March 31, 2020		As at March 31, 2019	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Secured NCD (A)	**15,000**	**8.65% p.a.**	**NA**	**NA**
Fixed:	**15,000**	**8.65% p.a.**	**NA**	**NA**
More than 5 years	NA	NA	NA	NA
3- 5 Years	NA	NA	NA	NA
1-3 Years	15,000	8.65% p.a.	NA	NA
Less than 1 year	NA	NA	NA	NA
Floating:	**NA**	**NA**	**NA**	**NA**
Secured Zero Coupon (B)	**NA**	**NA**	**NA**	**NA**
Unsecured Commercial Paper (C)	**104,500**	**7.00% p.a. – 8.50% p.a.**	**130,500**	**8.00% p.a. – 9.85% p.a.**
Fixed:	**104,500**	**7.00% p.a. – 8.50% p.a.**	**130,500**	**8.00% p.a. – 9.85% p.a.**
Less than 1 year	104,500	7.00% p.a. – 8.50% p.a.	130,500	8.00% p.a. – 9.85% p.a.
Total (A+B+C)	**119,500**	**7.00% p.a. – 8.65% p.a.**	**130,500**	**8.00% p.a. – 9.85% p.a.**

Terms of repayment of Term Loans from Banks :

Residual Maturity of Bank Borrowings	As at March 31, 2020		As at March 31, 2019	
	Amount	Rate of Interest / Yield	Amount	Rate of Interest / Yield
Floating:	**30,762**	**7.50% p.a.- 9.00% p.a.**	**19,500**	**9.00% p.a. – 9.05% p.a.**
More than 5 years	3,476	8.45% p.a.-9% p.a	12,000	9.05% p.a.
3- 5 Years	5,714	8.45% p.a.-9% p.a	NA	NA
1-3 Years	5,714	8.45% p.a.-9% p.a	NA	NA
Less than 1 year	15,858	7.50% p.a-9% p.a	7,500	9.00% p.a.
Total	**30,762**	**7.50% p.a-9% p.a**	**19,500**	**9.00% p.a. – 9.05% p.a.**

The Term Loans to the extent of INR 17,762 Lacs are secured by way of general floating pari-passu charge over the current and future book debts and receivables, outstanding monies receivable, claims and bills etc. The Balance Term Loans amounting to INR 13,000 Lacs are unsecured.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LTD.

Non – Convertible Debentures (NCDs) :

Particulars	Coupon/ Yield	As at March 31, 2020	As at March 31, 2019
Rated Listed Secured Redeemable Non-Convertible Debentures Series SCILL/2019-20/S01 Date Of Maturity 25/07/2022 (INE403G07061)	8.65%	15,000	-

The Non-Convertible Debentures are secured by way of First ranking pari-passu charge over the book debts and receivables of the Parent Company with a minimum security cover being at least 100% (One Hundred percent) of the outstanding Redemption Amounts and Coupon due and payable thereon at any point of time or such higher cover as may be stipulated under each Tranche Offer Document relevant to any Tranche (the "Security Cover"), in terms of the Deed of Hypothecation.

44. Sale of SCMAC and SCFPL

The Parent Company at its meeting of the Board of Directors dated May 16, 2019 approved sale of investments in Standard Chartered Finance Private Limited (SCFPL) and Standard Chartered (India) Modeling And Analytics Centre Private Limited (SCMAC) to its holding Company Standard Chartered Bank, United Kingdom (SCB UK).The Sale was made at the Sale consideration approved by the Board based on Valuation by an external Management's expert and the sale transaction was completed in December 2019 with the receipt of sale consideration and transfer of the shares held to SCB (UK).

The profit on Sale of SCMAC (an associate of the Group held at carrying cost) Rs. 1,848 lacs is disclosed as an exceptional item. SCFPL was held at FVOCI and the sale consideration was equal to the fair value, on transfer the balance held in FVOCI Reserve amounting to Rs.1,526 was transferred to Retained Earnings within Equity without being transferred to the Consolidated Statement of Profit and Loss.

45. COVID

The impact of COVID-19 pandemic has been unprecedented and disruptive across the World, including India. The current Business environment is grim for major companies in India who are faced with challenges and are struggling to continue their operations. Non-banking finance companies (NBFCs) support the financing needs of mainly MSMEs, infrastructure, real estate sectors and offer special structured financing solutions to corporate clients. The NBFC industry has been hit hard due to lockdown resulting in slowdown/stalling of business momentum, disruption caused due to collection delays and moratorium.

The Government of India (GoI) and the Reserve Bank of India (RBI) have provided liquidity support through multi-level intervention for the impacted industries / individuals and are also striving to extend financial stimulus; the impact and benefit of these measures will be realised only in the mid to long term period.

The Parent Company's business and operations have also been impacted from the last week of March 2020. In terms of the policy approved by the Board pursuant to Reserve Bank of India (RBI) Circular dated March 27, 2020 and April 17, 2020 relating to 'COVID-19 – Regulatory Package', the Parent Company has granted EMI moratorium to eligible borrowers for a period upto 3 months with regards to the payment falling due between March 1, 2020 and May 31, 2020. Further, in relation to the accounts overdue but standard as at February 29, 2020 where moratorium benefit has been extended in terms of aforesaid RBI guidelines, the staging of those accounts at March 31, 2020 is based on the days past due status as on February 29, 2020. Based on the Parent Company's assessment, this relaxation has not been deemed to be automatically triggering significant increase in credit risk. On May 22, 2020, the RBI has announced further extension of the Moratorium Period by three months; the Parent Company is currently in the process of rolling out client communications extending the moratorium to eligible borrowers. As on March 31, 2020 22 % of the book is under Moratorium.

The impact on the Global & Indian economy, businesses and customers' response thereon continues to be uncertain amidst the pandemic. This uncertainty is reflected in the Parent Company's assessment of impairment loss allowance on its loans which have been subjected to a number of management judgments and estimates. In relation to COVID-19, judgments and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities and the responses of businesses and consumers in different industries. While the methodologies and assumptions applied in the impairment loss allowance calculations remained unchanged from prior year, the Parent Company has separately incorporated estimates, assumptions and judgments specific to the COVID-19 impact based on early indicators of moratorium and delayed payments metrics observed along with an estimation of potential stress on probability of defaults. Accordingly, the Parent Company has measured additional impairment loss allowance and recognised total provision for Rs.1,297 Lacs in the Consolidated Statement of Profit and Loss. In addition, while assessing the liquidity situation, the Parent Company has taken into consideration certain assumptions with respect to repayments of loan assets and undrawn committed lines of credit, borrowing limits based on its past experience which have been adjusted for the current events. Given the dynamic nature of the pandemic situation, the extent of impact on the Parent Company's impairment loss allowance on assets and its future results will depend on the severity, duration and impending developments in relation to the pandemic situation, which are highly uncertain and thus the Parent Company will continue to assess and closely monitor the same.

46. Maturity Pattern of certain items of Assets and Liabilities

Maturity pattern of certain items of Assets and Liabilities as at 31 March'2020

	1 Day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 Year upto 3 Years	Over 3 years upto 5 years	Over 5 years	Total
Fixed deposits with Banks	-	-	-	-	-	-	-	-	-
Loans and Advances	6,384	4,920	25,704	26,031	42,846	46,451	36,957	18,732	**208,025**
Investments#*	-	-		11,500	-	-	-	-	**11,500**
Borrowings from banks *$	238	238	238	8,214	6,930	5,714	5,714	3,476	**30,762**
Market borrowings*	-	16,500	42,000	49,400	1,500	15,000	-	-	**124,400**
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	133	-	-	-	-	**133**

\# represents investments in Non-Convertible Debentures of other than related parties
* disclosed at face value
$ The Commercial Papers held by Banks are not included in the Figures of Borrowings from Bank

Maturity pattern of certain items of Assets and Liabilities as at 31 March'2019

	1 Day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 Months upto 6 months	Over 6 Months upto 1 year	Over 1 Year upto 3 Years	Over 3 years upto 5 years	Over 5 years	Total
Fixed deposits with Banks	16,000	-	-	-	-	-	-	-	**16,000**
Loans and Advances	22,778	62,565	25,492	26,635	15,895	13,029	9,292	8,821	**184,507**
Investments#*	-	-	3,326	11,500	-	-	-	-	**14,826**
Borrowings from banks *	-	143	143	429	8,357	3,429	3,429	3,570	**19,500**
Market borrowings*	16,000	20,000	51,000	35,500	8,000	-	-	-	**130,500**
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign	-	1,021	-	-	-	-	-	-	**1,021**

Standard Chartered Investments and Loans (India) Limited
Notes to the Consolidated financial statements
for the year ended March 31, 2020
(INR Lacs)

Currency liabilities&&									

represents investments in equity shares of fellow subsidiary / associate and Non-Convertible Debentures of other than related parties
* disclosed at face value
& excludes non-performing asset of INR 2,393 Lacs
&& Includes exchange loss of INR 63 Lacs

47. Subsequent Events

There are no other subsequent events post Balance Sheet date, which may result into the adjustment to the financial statements or requires any specific disclosure.

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No: 117365W

For and on behalf of the Board of Directors of Standard Chartered Investments and Loans (India) Limited

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Zarin Daruwala
Director
DIN No: 00034655

Prashant Kumar
MD & CEO
DIN No: 08584379

Priya Ranjit
COO & CFO
ACA: 117771

Saket Maheshwari
Head of Finance & CS
ACS:21823

15 June 2020
Mumbai

15 June 2020
Mumbai

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED
CIN: U65990MH2003PLC142829

17th Annual General Meeting
Tuesday, September 22, 2020, at 2.30 p.m. at
Godavari Meeting Room, Floor no 3A, Crescenzo Building, G Block, C 38/39,
Bandra Kurla Complex, Bandra (E), Mumbai 400 051

Proxy form
[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014 – Form MGT-11]

Name of the member	
Registered address	
Email	
Folio No. / Client ID	
DP ID	

I, being the member(s) of shares of the above named Company, hereby appoint

Name: ……………………………………………………………….

Email: ………………………………………………………………..

Address: ……………………………………………………………..

Signature: ……………………………………………………………

Or Failing him / her

Name: ………………………………………………………………….

Email: …………………………………………………………………..

Address: ……………………………………………………………….

Signature: ……………………………………………………………….

as my / our proxy to attend and vote (on a poll) for me/us and on my /our behalf at the 17th Annual General Meeting of the Company, to be held on Tuesday, September 22, 2020, at 2.30 p.m. at Godavari Meeting Room, Floor no 3A, Crescenzo Building, G Block, C 38/39, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No: 1 to 5

Resolution number	Resolution	Vote (Optional see note 2) (Please mention no of shares)		
		For	Against	Abstain
Ordinary Business				
Item No. 1:	To receive, consider, approve and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon. b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Auditors thereon.			
Item No. 2:	To appoint a Director in place of Mr. Pradeep Iyer (DIN 07352497), who retires by rotation and, being eligible, offers himself for re-appointment.			
Item No. 3:	To appoint a Director in place of Mr. K V Subramanian (DIN 07842700), who retires by rotation and, being eligible, offers himself for re-appointment.			
Item No. 4:	To appoint M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company in case of Casual Vacancy till the conclusion of this AGM.			
Item No. 5:	To appoint M/s. S.R. Batliboi & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of this AGM till the conclusion of the AGM to be held in the calendar year 2025 and fix their remuneration.			

Signed this ……………date of ……………… 2020.

Affix revenue stamp of not less than INR 1/-

……………………………
Signature of the member

………………………………
Signature of proxy holder(s)

Notes:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting.
2. It is optional to indicate your preference. If you leave the ‘for’, ‘against’, or ‘abstain’ column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

STANDARD CHARTERED INVESTMENTS AND LOANS (INDIA) LIMITED
CIN: U65990MH2003PLC142829

17th Annual General Meeting
Tuesday, September 22, 2020, at 2.30 p.m. at
Godavari Meeting Room, Floor no 3A, Crescenzo Building, G Block, C 38/39,
Bandra Kurla Complex, Bandra (E), Mumbai 400 051

Attendance Slip

Registered Folio no. / DP ID no. / Client ID no. :

Number of Shares held:

I certify that I am a member / proxy / authorized representative for the member of **Standard Chartered Investments and Loans (India) Ltd**.

I hereby record my presence at the 17th Annual General Meeting of **Standard Chartered Investments and Loans (India) Ltd** at Godavari Meeting Room, Floor no 3A, Crescenzo Building, G Block, C 38/39, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 on Tuesday, September 22, 2020, at 2.30 p.m.

…………………………………	…………………………………….
Name of the member / proxy	Signature of the member / proxy

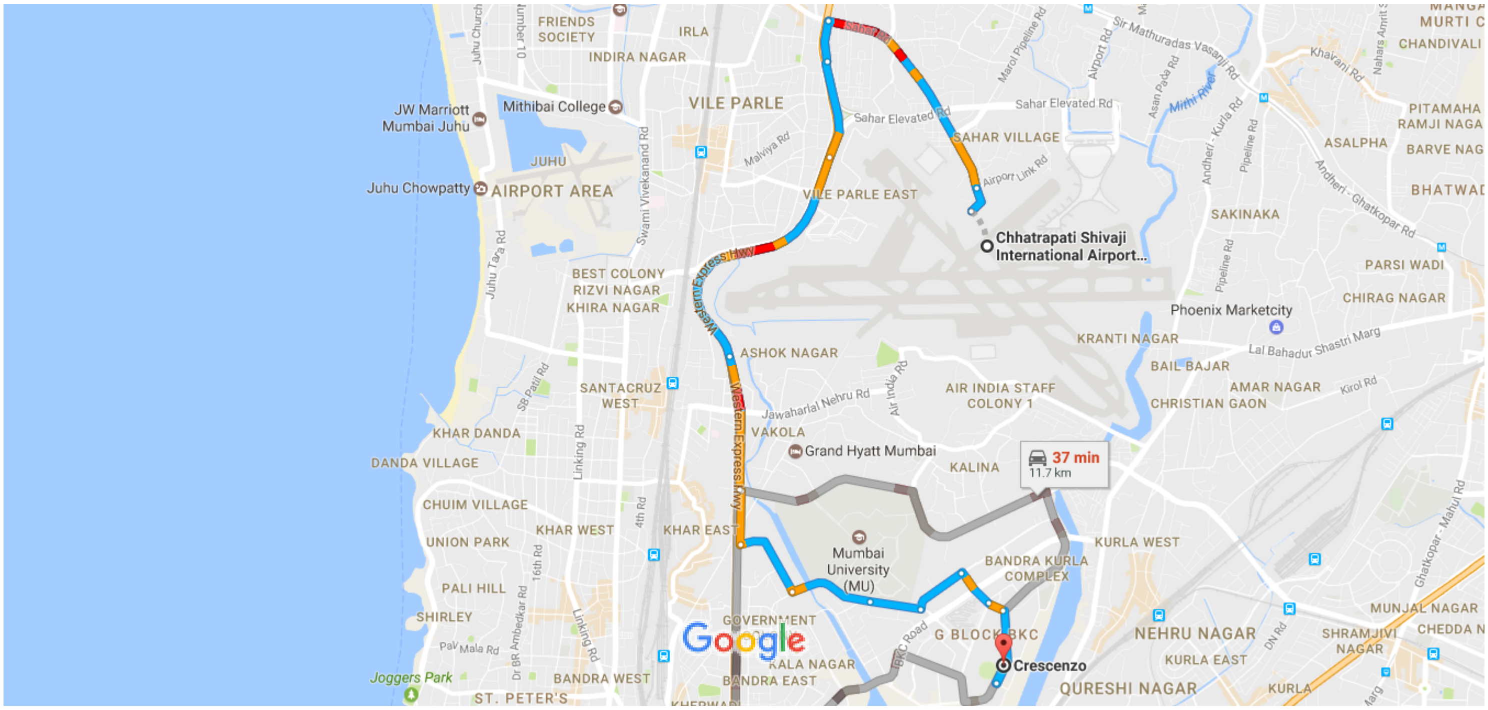
Note: Please fill up this attendance slip and hand it over at the entrance of the meeting venue.

Google Maps

Chhatrapati Shivaji International Airport Area to Crescenzo

Drive 10.7 km, 32 min

Chhtrapati Shivaji International Airport to SCB, Crescenzo, Lhasa Room, BKC, Mumbai



Map data ©2017 Google 1 km

via Western Express Hwy — 32 min

Fastest route, despite the usual traffic — 10.7 km

⚠ This route has restricted usage or includes private roads.

via Sahar Rd and Western Express Hwy — 36 min

The usual traffic — 12.1 km

via Western Express Hwy and Santacruz – Chembur Link Rd — 37 min

The usual traffic — 11.7 km

Google Maps

Chhatrapati Shivaji International Airport Area to Crescenzo

Drive 10.7 km, 32 min

Chhatrapati Shivaji International Airport to SCB, Crescenzo, Lhasa Room, BKC, Mumbai.

Chhatrapati Shivaji International Airport Area

Vile Parle, Mumbai, Maharashtra

1. Head north-east towards Sahar Rd
   Partial restricted-usage road
   Pass by Perishable Cargo Terminal (on the right)

1 min (230 m)

Continue on Sahar Rd. Drive from Western Express Hwy to Shivaji nagar Vakola

17 min (6.5 km)

2. At Amruta Logistics Private Limited, continue onto Sahar Rd
   Pass by Domnic Miranda Chawl (on the left)

2.0 km

3. Turn left towards Western Express Hwy

350 m

4. Use the right 2 lanes to turn right to merge onto Western Express Hwy

800 m

5. Keep right to stay on Western Express Hwy

2.3 km

6. Use the left 2 lanes to take the exit towards Hans Bhugra Marg/Santacruz – Chembur Link Rd

1.1 km

7. Turn left onto Hans Bhugra Marg/Santacruz – Chembur Link Rd

12 m

Take Sharada Devi Rd to your destination in Bandra Kurla Complex

11 min (4.0 km)

8. Turn right at the 1st cross street toward Sharada Devi Rd

450 m

9. Turn left onto Sharada Devi Rd

700 m

10. Turn left at Prof JL Shirsekar Marg

700 m

11. Continue onto Bharat Nagar Rd

450 m

12. Turn left after Contemporary Hospital (on the right)

450 m

13. Turn right towards Qadri Rd

350 m

14. Continue onto Qadri Rd

140 m

15. Turn right

650 m

16. Turn right

Destination will be on the left

170 m

Crescenzo

VCNow 400051, G Block BKC, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.