

INDEPENDENT AUDITOR'S REPORT

To the members of SBI DFHI LIMITED
Report on the Standalone Ind AS Financial Statements

1. Opinion

We have audited the accompanying standalone IND AS financial statements of SBI DFHI LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, 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 ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the standalone IND AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone IND AS 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, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the standalone IND AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone IND AS 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone IND AS financial statements.



Badlapur Branch 📍 : Basement, Poonam Building, Opp. Aithi Hotel, Station Road, Badlapur (E) 421503.
M. : 9823944454 ✉ : contact@ca-aska.com 🌐 : www.ca-aska.com

Head Office 📍 : 501, Mirage Arcade CHS, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (E) 421201 .

Branches At : Thane & Karjat

3. Responsibilities of Management and Those Charged with Governance 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 IND AS financial statements that give a true and fair view of the financial position, financial

performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 IND AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

4. Information Other than the Financial Statements and Auditor's Report Thereon

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

Our opinion on the standalone IND AS 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 IND AS 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 IND AS financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to

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

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

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



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a

reasonably knowledgeable user of the 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 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.

6. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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.
 - c) The books of accounts of the branches are maintained at head office. Hence, there is no separate branch audit report by any other auditor of any branch office. The audit of the company is conducted at head office only.
 - d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this report are in agreement with the relevant books of accounts.
 - e) In our opinion, the aforesaid standalone IND AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
 - f) There is no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the company.



- g) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- h) There is no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected herewith.
- i) 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.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note No. 32)
 - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There have been no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. Other matters
 - a. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or



entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatements.

v. No dividend has been declared by the company during the year.

vi. As per information and provided to us, the company is using accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention

k) With respect to the other matters to be included in the Auditor's 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 by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.

3. With respect to the directions issued by the Comptroller and Auditor General of India under sub section 5 of section 143 of the Act, refer to "Annexure B" attached.

For A S K A & CO
Chartered Accountants
FRN : 122063W

CA Sanket Mohan Chitale
Partner
Membership No. 149886
UDIN : 24149886BKGPFH7219
Place : Mumbai
Date : April 22, 2024



ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

As referred to in paragraph 6 (1) of our report of even date to the Members of SBI DFHI Limited on standalone IND AS Financial Statements of the Company for the year ended on March 31, 2024

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The company has maintained proper system to record the transactions and maintain books of accounts and records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (B) The company has maintained proper system to record the transactions and maintained records showing full particulars of Intangible assets
- (b) As per information provided to us, the Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals and no material discrepancies were noted on such Property, Plant & Equipment.
- (c) According to information and explanations given to us, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the company.
- (d) As per the information provided to us the Company has not revalued any Property, Plant and Equipment or intangible asset, hence requirement of clause (i) (d) of paragraph 3 of the Order is not applicable.
- (e) As per information provided to us by the company, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder hence no disclosure of the same is required in financial statements:
- (ii) In respect of inventories;
- (a) As per information provided to us, the company is engaged in the business of dealing in government securities and do not have any stock of inventory during the year under audit and therefore the clause (ii) (a) of the paragraph 3 of the order is not applicable.
- (b) As per information provided to us, no working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the current assets, have been sanctioned to the company and accordingly clause (ii) (b) of paragraph 3 of the order is not applicable.
- (iii) In respect of Investment made in; Guarantee or Security provided; or granted any loans or advance;
- As per information provided to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, hence requirements of clause (iii) of paragraph 3 of the order are not applicable.



Badlapur Branch 📍 : Basement, Poonam Building, Opp. Atithi Hotel, Station Road, Badlapur (E) 421503.
M. : 9823944454 ✉ : contact@ca-aska.com 🌐 : www.ca-aska.com

Head Office 📍 : 501, Mirage Arcade CHS, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (E) 421201.

Branches At : Thane & Karjat

- (iv) In respect of compliance with section 185 and 186 of Companies Act 2013;
As per information and explanations provided to us, the company has not advanced any loan or given any security or made any investment covered under section 185 or section 186 of the Act. Consequently, requirements of clause (iv) of paragraph 3 of the order are not applicable.
- (v) As per information and explanations given to us, the Company has not accepted any deposits or deemed deposits within meaning of section 73 to 76 from the public and No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal. Hence clause (v) of paragraph 3 is not applicable.
- (vi) As per information and explanations given to us, the maintenance of cost records has not been prescribed under subsection (1) section 148 of the Act.
- (vii) In respect of statutory dues;
- (a) As per information and explanations provided to us and on the basis of examination of records of the company, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. As on March 31, 2024 no undisputed statutory dues were outstanding for more than six months from the date they were payable.
- (b) As per information and explanations provided to us, the statutory dues which have not been deposited on account of any dispute, are as follows:

Disputed dues pertaining to Income Tax Act, 1961

| Nature of Statutory Dues | Amount (Rs. In Crores) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------|------------------------|------------------------------------|--------------------------------|
| Income Tax (Penalty) | 0.04 | A.Y. 2006-07 | Bombay High Court |
| Income Tax (Demand) | 0.02 | A.Y. 2017-18 | CIT(A), Mumbai |
| Income Tax (Demand) | 0.06 | A.Y. 2019-20 | CIT(A), Mumbai |
| Income Tax (Demand) | 0.82 | A.Y. 2020-21 | CIT(A), Mumbai |

There are no dues of Service Tax, Goods and Service Tax, Cess and other statutory dues as applicable to the company, which have not been deposited on account of dispute.

- (viii) As per information given to us and to the best of our knowledge and belief, there have not been any previously unrecorded income offered to tax during the previous year and therefore clause (viii) of the paragraph 3 of the order is not applicable.
- (ix) In respect of repayment of loans or other borrowings;
- (a) As per information provided to us, the company has not defaulted in repayment of loan or other borrowings or any interest thereon.
- (b) As per information provided to us, the company has not been declared wilful defaulter by any bank or financial institution or other lender.



- (c) As per information provided to us, no term loans were obtained by the company and hence provisions of clause (ix) (c) of paragraph 3 of the order are not applicable
- (d) As per information provided to us and based on verification of books of accounts, funds raised on short term basis have not been utilized for the long term purposes.
- (e) As per information provided to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) As per information provided to us, the company has not raised any loans during the previous year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and therefore clause (f) (viii) of the paragraph 3 of the order is not applicable.
- (x) In respect of money raised through initial public offer or further public offer
 - (a) As per information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instrument) during the year, therefore clause (x) (a) of the paragraph 3 of the Order is not applicable.
 - (b) As per information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, therefore clause (x) (b) of the paragraph 3 of the Order is not applicable.
- (xi) In respect of fraud by the company or any fraud on the company;
 - (a) No instances of fraud by the company or any fraud on the Company have been noticed or reported during the year nor have we been informed of any such instance by the Management during the year,
 - (b) No report under subsection 12 of section 143 has been filed by the auditor in form ADT-4 during the year under audit,
 - (c) The company or auditor has not received any whistle-blowers complaints.
- (xii) As per information provided to us, the company is not a Nidhi Company, hence, clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) As per information and explanations provided to us, the Company is in compliance with the provisions of section 177 and section 188 of the Companies Act, 2013. All transactions with related parties are disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) As per information provided to us and as per our observation, the company has an internal audit system commensurate with the size and nature of its business.
 - (b) The reports of the Internal auditors for the period under audit were considered by the Statutory Auditors.
- (xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence clause (xv) of paragraph 3 of the Order is not applicable.



(xvi) In respect of registration with RBI;

As per information and explanations provided to us;

- (a) To the best of our knowledge and belief, the company is required to be registered under section 45IA of the Reserve Bank of India Act, 1934 (Act 2 of 1934). The company has obtained registration under section 45IA of the Reserve Bank of India Act, 1934
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India Reserve Bank of India Act, 1934.
- (c) The Company is not Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (xvii) The company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) As per information provided to us, there has not been any resignation of statutory auditors and therefore clause (xviii) of Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, whether the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date
- (xx) In respect of the Company's Corporate Responsibility
- (a) As per information provided to us, the company does not have any project other than ongoing project as on March 31, 2024 and therefore the clause (xx) (a) of Order is not applicable.
- (b) As per information provided to us, the company has transferred Rs.1.56 Crores as amount remaining unspent under section 135(5) of Companies Act, to special account on April 22, 2024 in compliance with the provisions of sub-section (6) of section 135 of the said Act
- (xxi) As there are no subsidiaries of the company, the requirements of clause (xxi) of paragraph 3 of the Order are not applicable.

For A S K A & CO
Chartered Accountants
Firm Registration No 122063W



CA Sanket Mohan Chitale
Partner
Membership No 149886
UDIN : 24149886BKGPFH7219
Place : Mumbai
Date : April 22, 2024



**ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE
FINANCIAL STATEMENTS OF SBI DFHI LIMITED**

**Report on The Internal Financial Controls Under Clause (i) Of Sub-Section 3 Of Section 143
Of The Companies Act, 2013 (“The Act”)**

We have audited the internal financial controls over financial reporting of **SBI DFHI Limited** (“the Company”) as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

1. Management’s Responsibility for Internal Financial Controls

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

2. Auditors’ responsibility

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



Badlapur Branch 📍 : Basement, Poonam Building, Opp. Atithi Hotel, Station Road, Badlapur (E) 421503.
M. : 9823944454 ✉ : contact@ca-aska.com 🌐 : www.ca-aska.com

Head Office 📍 : 501, Mirage Arcade CHS, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (E) 421201.

Branches At : Thane & Karjat

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 controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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.

3. Meaning of internal financial controls over financial reporting

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

- I. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- II. 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
- III. 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

4. 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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



5. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A S K A & CO
Chartered Accountants
FRN : 122063W



CA Sanket Mohan Chitale
Partner
Membership No. 149886
UDIN : 24149886BKGPFH7219
Place : Mumbai
Date : April 22, 2024

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SBI DFHI LIMITED

Report on the directions issued by the Comptroller and Auditor General of India under Sub-section 5 of Section 143 of the Companies Act, 2013 ("the Act")

| Sr No | Directions | Observation of Auditor | Financial Impact |
|-------|--|---|------------------|
| 1 | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implication, if any, may be stated | To the best of knowledge and as per information and explanations provided to us, during the year under audit, the company has systems in place to process all the accounting transactions through IT system. | NIL |
| 2 | Whether there is any restructuring of an existing loan or cases of waiver / write-off of debts / loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government Company, then its direction is also applicable for statutory auditor of lender company) | To the best of our knowledge and as per information & explanations provided to us, during the year under audit, the company has no restructuring of any existing loan or cases of waiver / write off of debts/loans/interest etc, made by a lender to the company due to the company's inability to repay the loan. | NIL |
| 3 | Whether funds (grants / subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for /utilised as per terms and conditions? List the case of deviation | To the best of our knowledge and as per the information & explanations provided to us, the company has not received any funds nor any funds receivable for specific schemes from Central / State agencies during the year. | Not applicable |



Badlapur Branch 📍 : Basement, Poonam Building, Opp. Atithi Hotel, Station Road, Badlapur (E) 421503.
M. : 9823944454 ✉ : contact@ca-aska.com 🌐 : www.ca-aska.com

Head Office 📍 : 501, Mirage Arcade CHS, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (E) 421201.

Branches At : Thane & Karjat

Report on the additional direction issued by the Comptroller and Auditor General of India under Sub-section 5 of Section 143 of the Companies Act, 2013 ("the Act")

| Sr No | Directions | Observation of Auditor | Financial Impact |
|-------|--|--|------------------|
| 1 | RBI provided a window (vide circular dated 6 August 2020) under the prudential framework to implement a resolution plan to borrowers having stress on account of COVID 19, as per which existing loans can be restructured without downgrading the asset classification. Are there any cases of restructuring involving the new provision and if so, are they in compliance with the RBI circular? | To the best of our knowledge and as per information & explanations provided to us, the prudential framework to implement a resolution plan to borrowers having stress on account of COVID 19 dated August 6, 2020 is not applicable to the company. | Not applicable |
| 2 | Whether the investible funds received by the company were invested in accordance with the direction of applicable Statutory Regulators (regulation and rules framed by them). | To the best of our knowledge and as per information & explanations provided to us, there was no amount received as investible funds and outstanding as on March 31, 2023. Further the company has not received any investible funds during the financial year 2023-24. | NIL |
| 3 | Whether the funds invested under the scheme/products by the company are in compliance with the direction of Investment committee, Risk Committee constituted by Board, Investment Manual etc. which prescribed the process/procedure, threshold, exposure limits, quality of security etc. | To the best of our knowledge and as per information & explanations provided to us, the funds invested by the company were in compliance with directions of Investment committee, Risk Committee constituted by Board and norms laid down by the respective committees / board. | NIL |

For A S K A & C O
Chartered Accountants
FRN : 122063W



CA Sanket Mohan Chitale
Partner
Membership No. 149886
UDIN : 24149886BKGPFH7219
Place : Mumbai
Date : April 22, 2024



Badlapur Branch 📍 : Basement, Poonam Building, Opp. Atithi Hotel, Station Road, Badlapur (E) 421503.
M. : 9823944454 ✉ : contact@ca-aska.com 🌐 : www.ca-aska.com

Head Office 📍 : 501, Mirage Arcade CHS, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (E) 421201.

Branches At : Thane & Karjat

The Board of Directors,
SBI DFHI Limited, Mumbai

In addition to the report made under section 143 of the Companies Act 2013 on the financial statements of SBI DFHI Limited ("the Company") for the year ended March 31, 2024 as required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 notified vide Notification no. DNBS.PPD.03/66.15.001/2016-17 dated 29th September 2016, we report that:

1. The Company is engaged in the business of Non-Banking Financial Institution (NBFC) and it has obtained a Certificate of Registration (CoR) from the Reserve Bank of India (RBI) granting the certificate vide letter dated 9th December, 1997 in pursuance of Section 45-IA of Reserve Bank of India Act 1934.
2. In accordance with the circular no. DNBS.PPD.03/66.15.001/2016-17 dated 29th September 2016, the Company is entitled to hold CoR in terms of its financial asset / income pattern as on March 31, 2024.
3. The non-banking financial company is meeting the net owned fund requirement as laid down in Master Direction -Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
4. The Board of Directors has passed the resolution by circulation for non-acceptance of any public deposits on May 11, 2023.
5. The Company has not accepted any public deposits during the year ended March 31, 2024.
6. The Company has complied with prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
7. Currently the company is not required to file return in NBS-7 to the Reserve Bank of India. But the Capital Adequacy Ratio as disclosed in the return PDR – 3 submitted to the Reserve Bank of India by the Company has been correctly arrived at and such ratio is in compliance with the minimum CRAR prescribed by the Reserve Bank of India.

The Company has furnished to the Reserve Bank of India the annual statement of Capital Funds, Risk Assets/ Exposures and Risk Asset Ratio (DNBS-03) as on March 31, 2024 within the stipulated period.



Badlapur Branch 📍 : Basement, Poonam Building, Opp. Atithi Hotel, Station Road, Badlapur (E) 421503.
M. : 9823944454 ✉ : contact@ca-aska.com 🌐 : www.ca-aska.com

Head Office 📍 : 501, Mirage Arcade CHS, Opp. Ganesh Mandir, Off. Phadke Road, Dombivli (E) 421201.

Branches At : Thane & Karjat

This report is being issued only to comply with the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 and shall not be relied upon for any other purpose.

For A S K A & CO
Chartered Accountants
FRN : 122063W



CA Sanket Mohan Chitale
Partner
Membership No. 149886
UDIN : 24149886BKGPF12965
Place : Mumbai
Date : April 22, 2024

(₹ in crore)

| Particulars | | Note No. | As at March 31, 2024 | As at March 31, 2023 |
|---|---|----------|-------------------------|-------------------------|
| | | | Audited | Audited (Restated) |
| A | ASSETS | | | |
| 1 | Financial Assets | | | |
| | (a) Cash and cash equivalents | 3 | 8.45 | 15.09 |
| | (b) Bank balances other than (a) above | 4 | 1.48 | 1.06 |
| | (c) Derivative financial instruments | | | |
| | (d) Receivables | | | |
| | (i) Trade Receivables | 5 | 1,122.99 | 94.66 |
| | (e) Loans- receivable considered Good | | 120.78 | - |
| | (f) Investments | 6 | 21,607.07 | 16,832.71 |
| | (g) Other Financial assets | 7 | 368.94 | 282.01 |
| 2 | Non - Financial Assets | | | |
| | (a) Current tax assets (net) | 17 | 17.26 | 21.91 |
| | (b) Deferred tax assets (net) | | | - |
| | (c) Property, Plant and Equipment | 8 | 0.82 | 1.24 |
| | (d) Right of Use Assets | 9 | 4.98 | 6.99 |
| | (e) Other Intangible assets | 10 | 0.03 | 0.11 |
| | (f) Other non-financial assets | 11 | 9.35 | 8.63 |
| Total Assets | | | 23,262.15 | 17,264.41 |
| B | LIABILITIES AND EQUITY | | | |
| | LIABILITIES | | | |
| 1 | Financial Liabilities | | | |
| | (a) Payables | | | |
| | (i) 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 | 12 | 1,134.77 | 89.86 |
| | (b) Borrowings (Other than Debt Securities) | 13 | 20,436.65 | 15,748.37 |
| | (c) Lease Liabilities | 33 | 5.38 | 7.25 |
| | (d) Other financial liabilities | 14 | 21.51 | 10.84 |
| 2 | Non - Financial Liabilities | | | |
| | (a) Provisions | 15 | 3.28 | 3.13 |
| | (b) Deferred tax liabilities (Net) | 16 | 35.11 | 3.28 |
| | (c) Other non - financial liabilities | 18 | 9.14 | 9.59 |
| 3 | Equity | | | |
| | (a) Equity Share Capital | 19 | 190.49 | 190.49 |
| | (b) Other Equity | 20 | 1,425.82 | 1,201.60 |
| Total Liabilities and Equity | | | 23,262.15 | 17,264.41 |
| Summary of Material Accounting Policies | | 2 | | |

Notes referred to above form an integral part of the Balance Sheet and should be read in conjunction therewith.

As per our report of even date attached

For A S K A & CO

Chartered Accountants

Firm Regn No - 122063W

Chitale



CA Sanket Mohan Chitale

Partner

Membership No.149886

UDIN: 241498868KGPFH7219

Place : Mumbai

Dated : April 22, 2024

For and on behalf of the Board of Directors

Shri Ashwin Kumar Tewari
Shri Ashwin Kumar Tewari
Chairman
DIN : 08797991

Kumar Viswanathan
Kumar Viswanathan
Managing Director & CEO
DIN : 09632299

Sunil Kudale
Sunil Kudale
Company Secretary &
Chief Compliance Officer

J. V.S. Dattu
J. V.S. Dattu
Executive Vice President &
Chief Financial Officer



SBI DFHI LIMITED
Statement of Profit and Loss for the year ended on March 31, 2024
CIN: U65910MH1988PLC046447

(₹ in crore)

| Particulars | Note No. | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 (Restated) |
|---|----------|---|---|
| Revenue from operations | | | |
| (i) Interest Income | 21 | 1,023.13 | 721.58 |
| (ii) Discount Income | 21 | 356.57 | 254.47 |
| (iii) Fees and commission income | 22 | 3.85 | 2.95 |
| (iv) Trading Profit on Investments classified under FVTPL category other than discounted securities | 24 | 43.67 | - |
| (v) Net gain on fair value changes | 23 | 79.91 | - |
| I Total revenue from operations | | 1,507.13 | 979.00 |
| II Other Income | 25 | 2.41 | 2.24 |
| III Total Income (I+II) | | 1,509.54 | 981.24 |
| Expenses | | | |
| (i) Finance Cost | 26 | 1,227.94 | 787.97 |
| (ii) Net loss on fair value changes | 23 | - | 94.80 |
| (iii) Trading Loss on Investments classified under FVTPL category other than discounted securities | 24 | - | 35.49 |
| (iv) Employee benefits expenses | 27 | 17.00 | 13.49 |
| (v) Depreciation, amortisation and impairment | 8 to 10 | 2.75 | 3.35 |
| (vi) Other expenses | 28 | 19.43 | 21.94 |
| IV Total Expenses (IV) | | 1,267.12 | 957.04 |
| V Profit/(Loss) before exceptional items and tax (III-IV) | | 242.42 | 24.20 |
| VI Exceptional items | | - | - |
| VII Profit/(Loss) before tax (V-VI) | | 242.42 | 24.20 |
| VIII Tax expense: | | | |
| (1) Current Tax | | 43.01 | 31.59 |
| (2) Short/ (Excess) Provisions for earlier years | | - | 0.21 |
| (3) Deferred Tax Charge / (Credit) | 16 | 18.97 | (24.15) |
| IX Profit/(Loss) for the year from continuing operations (VII-VIII) | | 180.44 | 16.55 |
| X Profit/(Loss) from discontinued operations | | - | - |
| XI Tax expenses of discontinued operations | | - | - |
| XII Profit/(Loss) from discontinued operations after tax (X-XI) | | - | - |
| XIII Profit/(Loss) for the year | | 180.44 | 16.55 |
| XIV Other Comprehensive Income | | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| a - Fair Valuation of Equity Shares | | 56.65 | 8.48 |
| Deferred Tax Charge / (Credit) on above | 16 | 12.87 | 1.87 |
| b - Remeasurement of Employee Benefit Expenses | 27 | 0.00 | 0.09 |
| Deferred Tax Charge / (Credit) on above | | 0.00 | 0.02 |
| Subtotal A | | 43.78 | 6.68 |
| B (i) Items that will be reclassified to profit or loss | | - | - |
| Subtotal B | | - | - |
| Total other comprehensive income for the year (A+B) | | 43.78 | 6.68 |
| XV Total Comprehensive Income for the year | | 224.22 | 23.22 |
| XVI Earnings per equity share (for continuing operations) | 29 | | |
| Basic (₹) | | 94.73 | 8.69 |
| Diluted (₹) | | 94.73 | 8.69 |
| XVII Earnings per equity share (for discontinued operations) | | | |
| Basic (₹) | | - | - |
| Diluted (₹) | | - | - |
| XVIII Earnings per equity share (for continuing and discontinued operations) | 29 | | |
| Basic (₹) | | 94.73 | 8.69 |
| Diluted (₹) | | 94.73 | 8.69 |
| Summary of Material Accounting Policies | 2 | | |

Notes referred to above form an integral part of the Statement of Profit & Loss and should be read in conjunction therewith.

As per our report of even date attached
For A S K A & CO
Chartered Accountants
Firm Regn No - 122063W

Sanket Chitale



CA Sanket Mohan Chitale
Partner
Membership No.149886
UDIN: 24149886BKGPFH7219
Place - Mumbai
Dated : April 22, 2024

For and on behalf of the Board of Directors

Ashwin
Shri Ashwin Kumar Tewari
Chairman
DIN 08797991

YIL
K. Viswanathan
Managing Director & CEO
DIN . 09632299


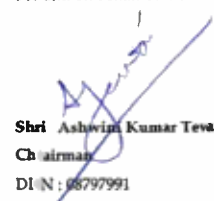




Sunil Kudale
Sunil Kudale
Company Secretary &
Chief Compliance Officer

J. V. S. Daltu
J. V. S. Daltu
Executive Vice President &
Chief Financial Officer



SBI DFHI LIMITED
Cash Flow Statement for the year ended on March 31, 2024
CIN: U65910MH1988PLC046447

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 (Restated) |
|--|--|---|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax and exceptional items | 242.42 | 24.20 |
| Adjustments for non operating/ non-cash items: | | |
| Depreciation on PPE, Intangible & ROU Assets | 2.75 | 3.35 |
| Input Credit Written-Off | 1.89 | 1.97 |
| Provision for Leave Encashment & Gratuity | 0.15 | (1.82) |
| Loss / (profit) on sale of asset / written off | 0.00 | - |
| Excess Provisions of earlier years written back | (0.40) | (0.62) |
| Straight lining of advance lease rent (expense) | 0.03 | 0.03 |
| Dividend Received | (0.90) | (0.56) |
| Net gain / loss on fair value changes | (79.91) | 94.80 |
| Interest portion of Lease Liability under Ind AS 116 | 0.20 | 0.21 |
| Implied Interest on Lease Deposit (income) | (0.03) | (0.03) |
| Amortisation of Securities held at Amortised Cost | - | 0.49 |
| Net Operating Profit before working Capital changes | 166.20 | 122.02 |
| Adjustments for Working Capital Changes: | | |
| Bank balances other than cash and cash equivalents | - | - |
| Investments | (4,637.80) | (4,344.85) |
| Debt Securities | - | - |
| Short Term Lendings | (120.78) | - |
| Short Term Borrowings | 4,688.28 | 4,381.87 |
| Trade Payables & Others | 1,055.43 | (111.85) |
| Trade Receivables & Others | (1,117.87) | 83.13 |
| Operating Profit after working Capital changes | 33.46 | 130.32 |
| Direct Taxes paid (including TDS) | 38.37 | 31.66 |
| Net Cash from Operating activities A | (4.91) | 98.66 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of PPE & Intangible Assets | (0.14) | (0.60) |
| Sale of Fixed Assets | 0.01 | 0.01 |
| Dividend Received | 0.90 | 0.56 |
| Proceed from maturity of fixed deposits | (0.42) | 2.00 |
| Net Cash from Investing Activities B | 0.35 | 1.97 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Interest portion of Lease Liability under Ind AS 116 | (0.20) | (0.21) |
| Principal Portion of Lease Liability under Ind AS 116 | (1.88) | (1.97) |
| Dividend Paid (Including tax thereon) | - | (84.77) |
| Net Cash used in financing activities C | (2.08) | (86.95) |
| Net Increase in Cash & Cash Equivalents (A+B+C) | (6.64) | 13.68 |
| Cash & Cash Equivalents at the start of the year | 15.09 | 1.41 |
| Cash & Cash Equivalents as at the end of the year | 8.45 | 15.09 |
| Note : 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015. | | |
| Note: 2 The finance cost of borrowings worth ₹ 1,229.04 crore in the period ended March 31, 2024 (₹ 788.46 crore in the year ended March 31, 2023) is an operating expense for the company and hence included in Cash Flow from Operating Activities. | | |
| See accompanying notes forming part of the financial statements | | |
| As per our report of even date attached | For and on behalf of the Board of Directors | |
| For ASKA & CO | | |
| Chartered Accountants | | |
| Firm Regn No - 122063W | | |
|  |  |  |
|  | Shri Ashwini Kumar Tevari Chairman DIN : 08797991 | Kumar Viswanathan Managing Director & CEO DIN : 09632299 |
| CA Sanket Mohan Chitale Partner Membership No. 149886 UDIN : 2414988C BKGPFH 7219 |  |  |
| Place : Mumbai Dated : April 22, 2024 | Sunil Kudale Company Secretary & Chief Compliance Officer | J.V.S. Dattu Executive Vice President & Chief Financial Officer |



SBI DFHI LIMITED
Statement of changes in equity for year ended on March 31, 2024
CIN: U65910MH1988PLC046447

(A) Equity Share Capital

(₹ in crore)

| Period | Balance at the beginning of the current reporting period | Changes in Equity Share Capital due to prior period errors | Restated balance at the beginning of the current reporting period | Changes in Equity Share Capital during the current reporting period | Balance at the end of the current reporting period |
|----------------------|--|--|---|---|--|
| As at March 31, 2024 | 190.49 | - | 190.49 | - | 190.49 |
| As at March 31, 2023 | 190.49 | - | 190.49 | - | 190.49 |

(B) Other Equity :

As at March 31, 2024

(₹ in crore)

| Particulars | Reserves and Surplus | | | | Items of Other Comprehensive Income (OCI) | | Total |
|--|----------------------|----------------------------|---|-----------------|--|---|----------|
| | Statutory Reserve | Capital Redemption Reserve | Balance in Statement of Profit and Loss | General Reserve | Re-measurements of net defined benefit plans | Gains/ (losses) from equity investments through OCI | |
| Balance as at April 01, 2023 | 537.04 | 100.42 | 320.01 | 97.87 | (0.42) | 146.68 | 1,201.60 |
| Changes in accounting policy/prior period errors | - | - | - | - | - | - | - |
| Restated balance at the beginning of the reporting year | 537.04 | 100.42 | 320.01 | 97.87 | (0.42) | 146.68 | 1,201.60 |
| Net Profit after Tax transferred from Statement of Profit & Loss | - | - | 180.44 | - | - | - | 180.44 |
| Dividend paid | - | - | - | - | - | - | - |
| Transfer to/from retained earnings | 36.09 | - | (36.09) | - | - | - | - |
| Changes in other comprehensive income | - | - | - | - | (0.00) | 56.65 | 56.65 |
| Income Tax on changes in other comprehensive income | - | - | - | - | 0.00 | (12.87) | (12.87) |
| Balance as at March 31, 2024 | 573.13 | 100.42 | 464.36 | 97.87 | (0.42) | 190.46 | 1,425.82 |

As at March 31, 2023

(₹ in crore)

| Particulars | Reserves and Surplus | | | | Items of Other Comprehensive Income (OCI) | | Total |
|--|----------------------|----------------------------|---|-----------------|--|---|----------|
| | Statutory Reserve | Capital Redemption Reserve | Balance in Statement of Profit and Loss | General Reserve | Re-measurements of net defined benefit plans | Gains/ (losses) from equity investments through OCI | |
| Balance as at April 01, 2022 | 532.99 | 100.42 | 390.71 | 97.87 | (0.49) | 140.07 | 1,261.57 |
| Changes in accounting policy/prior period errors | - | - | 1.57 | - | - | - | 1.57 |
| Restated balance at the beginning of the reporting year | 532.99 | 100.42 | 392.28 | 97.87 | (0.49) | 140.07 | 1,263.14 |
| Net Profit after Tax transferred from Statement of Profit & Loss | - | - | 16.55 | - | - | - | 16.55 |
| Dividend paid | - | - | (84.77) | - | - | - | (84.77) |
| Transfer to/from retained earnings | 4.05 | - | (4.05) | - | - | - | - |
| Changes in other comprehensive income | - | - | - | - | 0.09 | 8.48 | 8.58 |
| Income Tax on changes in other comprehensive income | - | - | - | - | (0.02) | (1.87) | (1.90) |
| Balance as at March 31, 2023 | 537.04 | 100.42 | 320.01 | 97.87 | (0.42) | 146.68 | 1,201.60 |

Refer note number 37 for effects of restatement.

As per our report of even date attached

For A S K A & CO

Chartered Accountants

Firm Regn No - 122063W

Sanket



CA Sanket Mohan Chitale
Partner

Membership No.149886

UDIN: 24149886BKGFH7219

Place : Mumbai

Dated : April 22, 2024

For and on behalf of the Board of Directors

Ashwini
Shri Ashwini Kumar Tewari
Chairman
DIN : 0879798

Yil
Kumar Viswanathan
Managing Director & CEO
DIN : 09632299

Sunil
Sunil Kudale
Company Secretary &
Chief Compliance Officer

J.V.S.
J.V.S. Dattu
Executive Vice President &
Chief Financial Officer



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

1. Corporate Information

SBI DFHI Limited ('the Company') is a Public Limited Company having its registered office at 5th Floor, 122, Mistry Bhavan, Dinsha Vachha Road, Churchgate, Mumbai City, Maharashtra, 400020. The Company was incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013) on March 08, 1988. The Company is registered as Non-Banking Financial Company and is a standalone Primary Dealer created to support the book building process in primary auctions of Government Securities.

The Company is a subsidiary of State Bank of India. Being a Primary Dealer, the core activities of the Company comprise of underwriting, bidding, market making and trading in Fixed Income Securities (Treasury Bills, Government securities, State Development Loans, Corporate Bonds). The Company actively participates in Money Market instruments (Certificates of Deposit, Commercial Paper, Inter-Corporate Deposits, Call & Notice / Term Money Deposits). It is very active in retailing of Government Securities, including small lots.

2. A) Material accounting policies

a. Basis of Preparation

The financial statements of the Company have been prepared in all material aspects in accordance with Indian Accounting Standards (Ind AS) as per rule 4 of The Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013 ('the Act') and other relevant Provisions of the Act and the relevant Reserve Bank of India guidelines to NBFCs as applicable to Primary Dealers in Government Securities.

The financial statements have been prepared on an accrual basis and under the historical cost basis, except for certain financial assets and liabilities (refer accounting policy no 2(A)(h), 2(A)(i), 2(A)(o), 2(A)(n)(iii)(b)) which have been measured at fair value or revalued amount wherever applicable:

b. Use of estimates

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Although these estimates and assumptions are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, actual results could differ from these estimates and assumptions. Adjustments, if any, are recognised prospectively.

c. Functional and Presentation Currency

The financial statements are presented in Indian Rupees which is the functional currency for the Company.

d. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment loss, if any.

Cost includes cost of acquisition, installation, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and includes CENVAT / value added tax / Goods and Service Tax (GST).



Depreciation on the property, plant and equipment is provided on straight line method, over the useful life of the assets, as specified in Part C of Schedule II to the Companies Act, 2013. On Property, Plant and Equipment which are added / disposed of during the year, depreciation is provided on pro-rata basis.

The estimated useful life of items of property, plant and equipment is mentioned below:

| Sr No | Category of Asset | Estimated Useful Life |
|-------|---|-----------------------|
| 1 | Building | 30 Years |
| 2 | Office Equipment (Mobile handset) | 3 Years |
| 3 | Office Equipment (other than mobile handset) | 5 Years |
| 4 | Furniture & Fixtures | 10 Years |
| 5 | Vehicle | 8 Years |
| 6 | Computer & data processing units – Server & network | 6 Years |
| 7 | Computer & data processing units – End user devices | 3 Years |

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit And Loss when the asset is derecognised.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably.

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortisation and impairment loss, if any. Such cost includes cost of acquisition, installation, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and includes CENVAT / value added tax / Goods and Service Tax (GST).

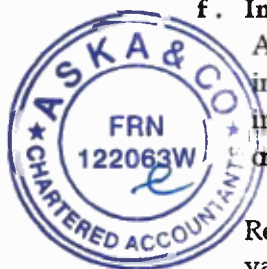
As per amortisation policy of the Company, software is amortised over a period of 3 years on straight line basis from the date they are available for intended use, subject to impairment test. One-time licence fees paid to Oracle India Pvt Ltd. for Oracle Processor Licence for use of software are amortised over the period of the licence agreement or 10 years whichever is shorter.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit And Loss when the asset is derecognised.

f. Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax



discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss.

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

g. Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition and the sale is highly probable.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and their fair value less costs to sell.

h. Financial Instruments

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

(I) Financial assets

Initial recognition and measurement

All purchases or sales transactions of financial assets are recognised on a trade date basis i.e. the date that the Company commits to purchase or sell the assets.

Subsequent measurement

All recognised financial assets are subsequently measured at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at amortised cost

A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of financial asset give rise on a specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding.

The method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period is effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income on financial assets measured at amortised cost is recognised in the Statement of Profit And Loss and is included in the "Revenue from operations".



Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured through FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of financial asset give rise on a specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit and loss (FVTPL)

A financial asset which is not classified under any of the above categories is measured at FVTPL. At the end of each reporting period, the financial assets through FVTPL are measured at fair value and any gains or losses arising on remeasurement are recognised in the Statement of Profit And Loss.

Investment in Equity Instruments

All equity investments covered within the scope of Ind-AS 109 are measured at fair value and the changes in value are recognised in the Statement of Profit and loss except for those equity instruments which the Company has chosen to recognise the value changes in 'Other Comprehensive Income'. The classification of recognising the value changes either through FVTPL or FVTOCI is made on initial recognition and is irrevocable.

The dividends earned on equity instruments those are measured through FVTOCI are recognised in Statement of Profit and loss. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party or when it has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received / receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity, is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

At every reporting date the financial assets are tested for impairment. The Company uses historical default rates to determine impairment loss. The Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.



(II) Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

Financial liabilities are carried at amortised cost using effective interest rate method. For trade and other payables maturing within one year from the balance sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if these are incurred for the purpose of repurchasing in the near term.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in profit or loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans and borrowings are subsequently measured at amortised cost using effective interest method.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

i. Derivative financial instruments

The Company occasionally enters into derivative financial instruments to manage its exposure to interest rate risk, mainly in interest rate swaps.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Embedded derivatives

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 - "Financial Instrument" are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. These embedded derivatives are measured at fair value with changes in fair value recognised in profit and loss.

j. Cash and cash equivalents

The Company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of 3 months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of bank balances which are unrestricted for withdrawal and usage.

k. Fair value measurement

The Company measures certain financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to 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 considers the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

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

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

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

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

1. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

i. Discount

The difference between the maturity value and acquisition cost of Certificates of Deposit, Commercial Papers, Treasury Bills, TREPS and Zero Coupon Bonds is apportioned on time basis as Discount income.

ii. Interest income

On financial assets classified under amortised cost

Interest income from financial instruments classified as at amortised cost is recognised using the effective interest rate ("EIR") method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of financial assets to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

On financial assets classified under fair value through profit or loss

Interest income on assets classified under fair value through profit or loss is recognised on time proportion basis at the coupon rates specified for the instruments.

iii. Trading Profit

The difference between the sale/redemption value and carrying cost of securities held on the transaction date is recognised as trading profit.

The above income from the respective securities is shown as sale, purchase and variation in stock of securities for the purpose of presentation in the Statement of Profit & Loss.

iv. Dividend income

Dividend income from investments is recognised when the Company's right to receive payment has been established which is generally when shareholders approve the dividend, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

v. Underwriting fees

Underwriting fees for auction of Dated Government Securities are recognised as income when the auction results are declared.

vi. Income from Repo and reverse repo transactions

The securities sold/purchased under Repo/Reverse Repo have been accounted as Collateralized Lending and Borrowing transactions, in accordance with RBI guidelines. However, securities are transferred as in the case of normal outright sale/purchase transaction and such movement of securities is reflected using Repo/Reverse Repo Accounts. The above entries are reversed on the date of maturity. Costs and revenue are accounted as interest expenditure/income. Balance in Repo a/c is classified as Short-Term Borrowing and Reverse Repo A/c is classified under Short Term Loans and Advances.



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

The securities sold/purchased under Repo/Reverse Repo with the Reserve Bank of India under LAF/MSF are accounted as Collateralized Lending and Borrowing transactions, in accordance with RBI guidelines.

m. Borrowing costs

Borrowing Costs other than those directly attributable to Qualifying Assets are recognised as expenses in profit or loss in the period in which they are incurred.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of the asset.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

n. Employee benefits

(i) Short-term benefits

Short term employee benefits including accumulating compensated absences are recognised at an undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. Payments made to State Bank of India towards emoluments of their employees who are on deputation to the Company are regarded as the Employees' Cost of the Company.

(ii) Long term benefits:

Other long-term employee benefits comprise of leave encashment and are provided for based on the independent actuarial valuation. The classifications between current and noncurrent liabilities are based on actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

(iii) Post retirement benefits:

a. Defined contribution plans:

Retirement Benefits in the form of Provident Fund and Superannuation Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue as per relevant statutes.

b. Defined benefit plans:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through a trust created for future payment of gratuities which is funded with Gratuity cum Life Assurance Scheme of SBI Life Insurance Co. Ltd. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Remeasurements, comprising of actuarial gains and losses, the effect of changes to the asset ceiling (excluding amounts included in net interest or the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which it occurs. Remeasurement are not



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

classified to profit and loss in subsequent periods. Past service cost is recognised in profit and loss in the period of a plan amendment.

o. Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019.

The Company, as a lessee recognises lease liabilities and right-of-use assets by applying following approach to all of its leases (a) measured the lease liability at the date of transition to Ind AS by measuring that lease liability at the present value of the remaining lease payments and discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS 116 (b) Right of Use asset is recognized and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of restoration costs and any initial direct costs incurred by lessee.

The Company does not apply Ind AS 116 to Short Term Leases, which are defined as leases with a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Right-of-use assets are depreciated from the transition date or commencement date whichever is later, on a straight-line basis over the shorter of the lease term or useful life of the underlying asset. None of the right-of-use assets meets the definition of investment property.

p. Segment Reporting

In accordance with Ind AS 108 "Operating Segment", segment information is reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

q. Taxes on Income

Tax on Income comprises current tax and deferred tax. These are recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

r. Earnings per share

Basic earnings per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / loss after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

s. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities. Unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements.

Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

t. Goods and Service Tax (GST)

GST liability is set off against available GST input tax credits. Unutilised credits, if any, are carried forward under "Other Non-Financial Assets" for set off in subsequent periods.

Cash flow statement

The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS -7 on Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015

2. B) Changes in Accounting Policies

There are no changes in accounting policies during the year ended March 31, 2023.



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No 3. Cash and Cash Equivalents

(₹ in crore)

| Particulars | (₹ in crore) | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| I. Cash on hand | 0.00 | 0.00 |
| II. Balances with RBI and Other Banks (a) In Current Accounts | 8.45 | 15.09 |
| Total (I and II) | 8.45 | 15.09 |

Note No. 4. Bank balances other than above

(₹ in crore)

| Particulars | (₹ in crore) | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Balances with other Banks (a) in Current Accounts (Others) | - | - |
| (b) In Dividend Account | 0.00 | 0.00 |
| (c) in Other deposit accounts (Of these ₹ 0.13 crore (previous year ₹ 0.13 crore) is kept as margin money) | 0.13 | 0.13 |
| (d) In CSR Unspent Accounts* | 1.35 | 0.93 |
| Total | 1.48 | 1.06 |
| Balances in India | 1.48 | 1.06 |
| Balances outside India | - | - |
| Total | 1.48 | 1.06 |

* Including earmarked Rs 0.86 crore FY 2022-23 & Rs 0.49 crore FY 2021-22 as on March 31, 2024 (Rs 0.93 crore for FY 2021-22 as on March 31, 2023).

Note No 5. Trade Receivables

(₹ in crore)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|--|--|-------------------|-------------|-------------|-------------------|-----------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 year | More than 3 years | Total |
| As at March 31, 2024 | | | | | | |
| (i) Undisputed Trade receivables - considered good | 1,122.95 | - | - | 0.04 | - | 1,122.99 |
| Total | 1,122.95 | - | - | 0.04 | - | 1,122.99 |
| As at March 31, 2023 | | | | | | |
| (i) Undisputed Trade receivables - considered good | 94.55 | - | 0.10 | 0.01 | - | 94.66 |
| Total | 94.55 | - | 0.10 | 0.01 | - | 94.66 |

Trade Receivable includes ₹ 1,122.54 crores (March 31, 2023 Rs 94.38 crores) pertains to the trades executed on March 28, 2024 & March 31, 2023 and settled on April 02, 2024 & April 03, 2023 respectively .



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No. 6: Investments

As at March 31, 2024

(₹ in crore)

| Investments | Amortised Cost #1 | At Fair Value | | | Total |
|---|-------------------|------------------------------------|------------------------|---|------------------|
| | | Through Other Comprehensive income | Through Profit or Loss | Designated at fair value through Other Comprehensive income | |
| Government Securities | 2,421.15 | - | 15,261.95 | - | 17,683.10 |
| Equity Instruments | - | - | - | 247.56 | 247.56 |
| Debt Securities | - | - | 3,676.41 | - | 3,676.41 |
| Total Gross (A) | 2,421.15 | - | 18,938.36 | 247.56 | 21,607.07 |
| Overseas investments | - | - | - | - | - |
| Investments in India | 2,421.15 | - | 18,938.36 | 247.56 | 21,607.07 |
| Total Gross (B) | 2,421.15 | - | 18,938.36 | 247.56 | 21,607.07 |
| Less: Allowance for Impairment loss (C) | - | - | - | - | - |
| Total Net | 2,421.15 | - | 18,938.36 | 247.56 | 21,607.07 |

#1 : As on March 31, 2024 the Company has classified ₹ 2,421.15 core (net of premium amortisation ₹ 1.68 crores) of the total investment portfolio as amortised cost category . If the company would have classified these investments under the Fair value through Profit and Loss (FVTPL)category, the MTM loss impact on the Statement of Profit and loss would be ₹ 11.68 crore fair value gain)

As at March 31, 2023

(₹ in crore)

| Investments | Amortised Cost #1 | At Fair Value | | | Total |
|---|-------------------|------------------------------------|------------------------|---|------------------|
| | | Through Other Comprehensive income | Through Profit or Loss | Designated at fair value through Other Comprehensive income | |
| Government Securities | 1,985.82 | - | 11,352.29 | - | 13,338.11 |
| Equity Instruments | - | - | - | 190.91 | 190.91 |
| Debt Securities | - | - | 3,303.69 | - | 3,303.69 |
| Total Gross (A) | 1,985.82 | - | 14,655.98 | 190.91 | 16,832.71 |
| Overseas investments | - | - | - | - | - |
| Investments in India | 1,985.82 | - | 14,655.98 | 190.91 | 16,832.71 |
| Total Gross (B) | 1,985.82 | - | 14,655.98 | 190.91 | 16,832.71 |
| Less: Allowance for Impairment loss (C) | - | - | - | - | - |
| Total Net | 1,985.82 | - | 14,655.98 | 190.91 | 16,832.71 |

1 : As on March 31, 2023 the Company has classified ₹ 1985.82 core (net of premium amortisation ₹ 0.59 crores) of the total investment portfolio as amortised cost category . If the company would have classified these investments under the Fair value through Profit and Loss (FVTPL)category, the MTM loss impact on the Statement of Profit and loss would be ₹ (21.52) crore)

#2 : Refer note number 37 for effects of restatement.

Note No. 7: Other financial assets

(₹ in crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|-------------------------|----------------------|-------------|----------------------|-------------|
| | Current | Non-Current | Current | Non-Current |
| Lease Deposits | 0.09 | 0.85 | 0.04 | 0.93 |
| Other Deposits | 22.87 | 0.08 | 18.12 | 0.08 |
| Initial and MTM Margins | 0.06 | 0.36 | 0.06 | 0.36 |
| Interest Accrued | 344.63 | - | 262.42 | - |
| Total | 367.65 | 1.29 | 280.64 | 1.37 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements****Note 8: Property, plant and equipments**

As at March 31, 2024

(₹ in crore)

| Particulars | Buildings | Office Equipments | Furniture and Fixtures | Computers | Leasehold Improvements | Total |
|---|-------------|-------------------|------------------------|-------------|------------------------|-------------|
| Gross carrying Amount | | | | | | |
| Opening as at April, 01 2023 | 1.43 | 0.57 | 0.15 | 2.81 | 0.30 | 5.26 |
| Additions | - | - | - | 0.16 | - | 0.16 |
| Disposals / Adjustments | - | 0.02 | 0.00 | 0.02 | - | 0.04 |
| Closing gross carrying amount | 1.43 | 0.55 | 0.15 | 2.95 | 0.30 | 5.38 |
| Accumulated depreciation and impairment | | | | | | |
| Opening as at April, 01 2023 | 1.43 | 0.46 | 0.10 | 1.96 | 0.08 | 4.03 |
| Depreciation charge for the year | - | 0.06 | 0.01 | 0.42 | 0.06 | 0.54 |
| Disposals / Adjustments | - | 0.01 | 0.00 | 0.02 | - | 0.03 |
| Closing accumulated depreciation amount | 1.43 | 0.51 | 0.11 | 2.36 | 0.14 | 4.54 |
| Net carrying amount as at March 31, 2024 | - | 0.04 | 0.04 | 0.59 | 0.16 | 0.82 |

As on March 31, 2023

(₹ in crore)

| Particulars | Buildings | Office Equipments | Furniture and Fixtures | Computers | Leasehold Improvements | Total |
|---|-------------|-------------------|------------------------|-------------|------------------------|-------------|
| Gross carrying Amount | | | | | | |
| Opening as at April, 01 2022 | 1.43 | 0.58 | 0.15 | 2.54 | 0.30 | 5.00 |
| Additions | - | 0.04 | 0.01 | 0.54 | - | 0.59 |
| Disposals / Adjustments | - | 0.05 | 0.01 | 0.27 | - | 0.33 |
| Closing gross carrying amount | 1.43 | 0.57 | 0.15 | 2.81 | 0.30 | 5.26 |
| Accumulated depreciation and impairment | | | | | | |
| Opening as at April, 01 2022 | 1.43 | 0.44 | 0.10 | 1.86 | 0.03 | 3.86 |
| Depreciation charge for the year | - | 0.06 | 0.01 | 0.37 | 0.05 | 0.49 |
| Disposals / Adjustments | - | 0.05 | 0.01 | 0.27 | - | 0.33 |
| Closing accumulated depreciation amount | 1.43 | 0.46 | 0.10 | 1.96 | 0.08 | 4.02 |
| Net carrying amount as at March 31, 2023 | - | 0.12 | 0.05 | 0.85 | 0.22 | 1.24 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements****Note 9: Right of Use Assets**

As at March 31, 2024 (₹ in crore)

| Particulars | Buildings |
|---|--------------|
| Gross carrying Amount | |
| Opening as at April, 01 2023 | 16.48 |
| Additions | 0.25 |
| Disposals / Adjustments | 0.14 |
| Closing gross carrying amount | 16.59 |
| Accumulated depreciation and impairment | |
| Opening as at April, 01 2023 | 9.49 |
| Depreciation charge for the year | 2.12 |
| Disposals / Adjustments | - |
| Closing accumulated depreciation amount | 11.61 |
| Net carrying amount as at March 31, 2024 | 4.98 |

As on March 31, 2023 (₹ in crore)

| Particulars | Buildings |
|---|--------------|
| Gross carrying Amount | |
| Opening as at April, 01 2022 | 15.19 |
| Additions | 1.33 |
| Disposals / Adjustments | 0.04 |
| Closing gross carrying amount | 16.48 |
| Accumulated depreciation and impairment | |
| Opening as at April, 01 2022 | 7.35 |
| Depreciation charge for the year | 2.14 |
| Disposals / Adjustments | - |
| Closing accumulated depreciation amount | 9.49 |
| Net carrying amount as at March 31, 2023 | 6.99 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements****Note 10: Intangible assets**

| As at March 31, 2024 | | (₹ in crore) |
|---|-------------------------|--------------|
| Particulars | Software & Licence Fees | |
| Gross carrying Amount | | |
| Opening as at April, 01 2023 | | 8.79 |
| Additions | | - |
| Disposals / Adjustments | | - |
| Closing gross carrying amount | | 8.79 |
| Accumulated depreciation and impairment | | |
| Opening as at April, 01 2023 | | 8.68 |
| Depreciation charge for the year | | 0.08 |
| Disposals / Adjustments | | - |
| Closing accumulated depreciation amount | | 8.76 |
| Net carrying amount as at March 31, 2024 | | 0.03 |

| As on March 31, 2023 | | (₹ in crore) |
|---|-------------------------|--------------|
| Particulars | Software & Licence Fees | |
| Gross carrying Amount | | |
| Opening as at April, 01 2022 | | 8.79 |
| Additions | | - |
| Disposals / Adjustments | | - |
| Closing gross carrying amount | | 8.79 |
| Accumulated depreciation and impairment | | |
| Opening as at April, 01 2022 | | 7.97 |
| Depreciation charge for the year | | 0.71 |
| Disposals / Adjustments | | - |
| Closing accumulated depreciation amount | | 8.68 |
| Net carrying amount as at March 31, 2023 | | 0.11 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements****Note No. 11: Other non-financial assets**

(₹ in crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|--------------|----------------------|--------------|
| | Current | Non- Current | Current | Non- Current |
| Input Tax Credit | 8.54 | - | 7.85 | - |
| Advances receivable in cash or in kind | 0.12 | - | 0.06 | - |
| Prepaid expenses | 0.55 | 0.05 | 0.53 | 0.02 |
| LFC advance | - | - | 0.04 | - |
| Advance to Employees | 0.02 | - | 0.03 | - |
| Advance Lease Rentals | 0.00 | 0.07 | 0.03 | 0.07 |
| Total | 9.23 | 0.12 | 8.54 | 0.09 |

Note No. 12: Trade Payables

(₹ in crore)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|-----------------------------|--|-------------------|-------------|-------------|-------------------|-----------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 year | More than 3 years | Total |
| As at March 31, 2024 | | | | | | |
| (i) Other than MSME | 1,134.77 | - | - | 0.00 | - | 1,134.77 |
| Total | 1,134.77 | - | - | 0.00 | - | 1,134.77 |
| As at March 31, 2023 | | | | | | |
| (i) Other than MSME | 89.85 | - | 0.01 | - | - | 89.86 |
| Total | 89.85 | - | 0.01 | - | - | 89.86 |

Trade Payables includes ₹ 1,127.28 crores (March 31, 2023 Rs 75.94 crores) pertains to the trades executed on March 28, 2024 (March 31, 2023) and settled on April 02, 2024 (April 03, 2023) respectively.



Note No. 13: Borrowings

(₹ in crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|--------------|----------------------|--------------|
| | Current | Non- Current | Current | Non- Current |
| Measured at Amortised Cost | | | | |
| (a) Other Loans- Secured | | | | |
| (i) From banks | | | | |
| 1)Liquidity Support Scheme (LSS) & Standing Liquidity Facility (SLF) (Avalied from RBI against collateral of Dated Government Securities and T. Bills.) | 1,897.56 | - | 1,511.44 | - |
| (ii) From Other parties | | | | |
| (a)Loans from Related Parties | | | | |
| Secured: | | | | |
| i)Tri Party REPO Borrowing (Avalied from CCIL against collateral of Dated Government Securities and T. Bills.) (Borrowed @ average rate of 6.98% repayable in 5 days) (P.Yr. Borrowed @ average rate of 6.88% repayable in 3 days) | 10,406.95 | - | 7,289.35 | - |
| ii)CROMS Borrowing (Avalied from CCIL against collateral of Dated Government Securities and T. Bills.) (Borrowed @ average rate of 7.19% repayable in 5 days) (P.Yr.Borrowed @ average rate of 7.50% repayable in 3 days) | 3,303.69 | - | 2,323.16 | - |
| (b) Loans repayable on demand | | | | |
| (i) From banks (Unsecured) (call/ short notice , term money borrowings through money market operations) (Borrowed @ average rate of 7.08% repayable from 2 to 29 days) (P.Yr. Borrowed @ average rate of 6.60% repayable from 1 to 75 days) | 4,807.45 | - | 4,484.42 | - |
| (ii)from other parties | 21.00 | - | 140.00 | - |
| Total (A) | 20,436.65 | - | 15,748.37 | - |
| Borrowings in India | 20,436.65 | - | 15,748.37 | - |
| Borrowings outside India | - | - | - | - |
| Total (B) to tally with (A) | 20,436.65 | - | 15,748.37 | - |

Refer Note No 36 for details of securities pledged.

Note No. 14: Other financial liabilities

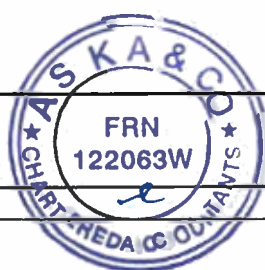
(₹ in crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|------------------------------|----------------------|--------------|----------------------|--------------|
| | Current | Non- Current | Current | Non- Current |
| Interest accrued but not due | 21.51 | - | 10.84 | - |
| Total | 21.51 | - | 10.84 | - |

Note No. 15: Provisions

(₹ in crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--------------------------------------|----------------------|--------------|----------------------|--------------|
| | Current | Non- Current | Current | Non- Current |
| Gratuity | 0.36 | 0.02 | 0.31 | - |
| Leave Encashment & compensated leave | 0.20 | 2.70 | 0.47 | 2.35 |
| Total | 0.56 | 2.72 | 0.78 | 2.35 |



SBI DFHI LIMITED

Notes Forming Parts of Financial Statements

Note No. 16 : Deferred tax Liabilities (net)

(₹ in crore)

| Particulars | As at | As at |
|---|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Deferred Tax Assets: | | |
| FVTPL Investments & Short Sold Securities | 18.62 | 36.97 |
| WDV PPE+Intangible Assets+ROU Assets | | |
| Lease Deposits | 0.02 | 0.03 |
| Provision for Gratuity | - | - |
| Provision for Gratuity (OCI) | 0.15 | 0.14 |
| Provision for Leave Encashment | 0.73 | 0.71 |
| Lease Liability | 1.36 | 1.83 |
| | 20.88 | 39.68 |
| Deferred Tax Liabilities: | | |
| Provision for Gratuity | 0.05 | 0.07 |
| WDV PPE+Intangible Assets+ROU Assets | 1.06 | 1.60 |
| Advance Lease Rentals | 0.02 | 0.03 |
| FVOCI Investments | 54.85 | 41.26 |
| | 55.98 | 42.96 |
| Deferred Tax Asset/(Liability) Net Closing Balance | (35.11) | (3.28) |
| Total (charge)/ credit to Profit & Loss | (18.97) | 24.15 |
| Total (charge)/ credit to OCI | (12.87) | (1.89) |

Note No. 17 : Current tax assets (net) / (Liabilities)

(₹ in crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|--------------|----------------------|--------------|
| | Current | Non- Current | Current | Non- Current |
| Current Tax Assets (Net of Tax Provisions) / Liabilities (Net of Advance Tax and TDS) | - | 17.26 | - | 21.91 |
| Total | - | 17.26 | - | 21.91 |

Note No. 18: Other non-financial liabilities

(₹ in crore)

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|------------------------------|----------------------|--------------|----------------------|--------------|
| | Current | Non- Current | Current | Non- Current |
| Provident Fund Payable | 0.10 | - | 0.09 | - |
| Profession Tax Payable | 0.00 | - | 0.00 | - |
| TDS Payable | 0.37 | - | 0.46 | - |
| GST Payable | 0.01 | - | 0.01 | - |
| TCS on sale of Goods Payable | 0.00 | - | 0.00 | - |
| Accrued Expenses | 5.73 | - | 3.67 | - |
| Other payable * | 2.93 | - | 5.36 | - |
| Total | 9.14 | - | 9.59 | - |

* Include unspent CSR ₹ 1.55 crore for FY 2023-24, ₹ 0.87 crore for FY 2022-23 and ₹ 0.49 crore for FY 2021-22 (March 31, 2023 ₹ 4.43 crores for FY 2022-23 & ₹ 0.93 crores for FY 2021-22)



SBI DFHI LIMITED

Notes Forming Parts of Financial Statements

Note No. 19: Equity Share Capital

Equity Share Capital

(₹ in crore)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Authorised | | |
| 3,00,00,000 Equity Shares of ₹ 100/- each | 300.00 | 300.00 |
| Issued & Subscribed & Fully Paid up | | |
| 1,90,48,956 Equity Shares of ₹ 100/- each | 190.49 | 190.49 |
| Total | 190.49 | 190.49 |

Reconciliation of number of shares outstanding is set out below

(No of Shares)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Equity shares at the beginning of the year | 1,90,48,956 | 1,90,48,956 |
| Equity shares at the end of the year | 1,90,48,956 | 1,90,48,956 |

1. Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 100 per share. Each holder of equity shares is entitled to one vote per share. 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, if any in proportion to their shareholdings.

2. In the year 2017-18 the company has bought back 27,69,230 equity shares at a price of ₹ 520 per share.

During the period of five years immediately preceding 31st March, 2024 as well as 31st March 2023, the Company has not issued any bonus shares or shares for consideration other than cash.

3. As per RBI guidelines the Company has following restrictions on declaration of dividend :

a. The Company should have complied with the regulation on transfer of profits to statutory reserve and regulatory guideline relating to provisioning and valuation of securities.

b. If the Capital to Risk Weighted Assets Ratio (CRAR) is below the regulatory minimum of 15 percent in any of the previous four quarters it cannot declare dividend.

Company having CRAR between the regulatory minimum of 15 per cent during all the four quarters of the previous year, but lower than 20 percent in any of the four quarters, the dividend payout ratio cannot exceed 33.3 percent. If the Company's CRAR is above 20 percent during all the four quarters of the previous year, the dividend payout ratio cannot exceed 60 per cent. Dividend Payout Ratio should be calculated as percentage of dividend payable in a year (excluding dividend tax) to the net profit during the year.

c. The dividend should be payable out of current year's profit. In case the profit for the relevant year includes any extraordinary income, the payout ratio should be computed after excluding such extraordinary items for reckoning compliance with the prudential payout ratio ceiling.

d. The financial statement pertaining to the financial year for which the company is declaring dividend should be free of any qualification by the statutory auditors, which have an adverse bearing on the profit for the year. In case any qualification to that effect, the net profit should be suitably adjusted downward while computing the Dividend Payout Ratio.

e. In case there are special reasons or difficulties for the company in strictly adhering to the guideline, it may approach Reserve Bank in advance for an appropriate ad hoc dispensation in this regard.

4. Details of shareholders holding more than 5% shares:

| Name of Shareholders | As at March 31, 2024 | | As at March 31, 2023 | |
|---------------------------------------|----------------------|--------|----------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| State Bank Of India - Holding Company | 1,31,52,074 | 69.04 | 1,31,52,074 | 69.04 |
| Punjab National Bank | 9,78,254 | 5.14 | 9,78,254 | 5.14 |

5. Details of shares held by holding company and subsidiaries of holding company is set out below

| Name of Shareholders | As at March 31, 2024 | | As at March 31, 2023 | |
|---------------------------------|----------------------|--------|----------------------|--------|
| | No. of Shares | % held | No. of Shares | % held |
| Holding Company | 1,31,52,074 | 69.04 | 1,31,52,074 | 69.04 |
| Subsidiaries of holding company | 5,95,295 | 3.13 | 5,95,295 | 3.13 |

6. The Company does not have any securities as at 31st March, 2024 and 31st March 2023, which are convertible into equity/preference shares.

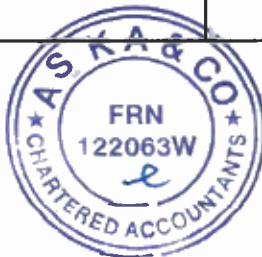
7. As per records of the Company, no calls remain unpaid by the directors and officers of the Company as on 31st March, 2024 and as on 31st March, 2023.

8. As per records of the Company, no shares have been forfeited by the Company during the year ending on 31st March, 2024 and as on 31st March, 2023.

9. There are no shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment as on 31st March, 2024 and as on 31st March, 2023.

10. Details of shares held by Promoters is set out below

| Shares held by Promoters at the end of the year | | | | % change during the year |
|---|---------------------|--------------|----------------------|-----------------------------|
| Financial Year | Promoter Name | No of Shares | % of total shares | |
| FY 2023-24 | State Bank of India | 1,31,52,074 | 69.04 | NIL |
| FY 2022-23 | State Bank of India | 1,31,52,074 | 69.04 | NIL |



Note No. 20: Other Equity

As at March 31, 2024

| Particulars | Reserves and Surplus | | | | Items of Other Comprehensive Income (OCI) | | Total |
|--|----------------------|----------------------------|---|-----------------|--|---|----------|
| | Statutory Reserve | Capital Redemption Reserve | Balance in Statement of Profit and Loss | General Reserve | Re-measurements of net defined benefit plans | Gains/ (losses) from equity investments through OCI | |
| Balance as at April 1, 2023 | 537.04 | 100.42 | 320.01 | 97.87 | (0.42) | 146.68 | 1,201.60 |
| Changes in accounting policy/prior period errors | - | - | - | - | - | - | - |
| Restated balance at the beginning of the reporting period | 537.04 | 100.42 | 320.01 | 97.87 | (0.42) | 146.68 | 1,201.60 |
| Net Profit after Tax transferred from Statement of Profit & Loss | - | - | 180.44 | - | - | - | 180.44 |
| Dividend paid | - | - | - | - | - | - | - |
| Transfer to/from retained earnings | 36.09 | - | (36.09) | - | - | - | - |
| Changes in other comprehensive income | - | - | - | - | (0.00) | 56.65 | 56.65 |
| Income Tax on changes in other comprehensive income | - | - | - | - | 0.00 | (12.87) | (12.87) |
| Balance as at March 31, 2024 | 573.13 | 100.42 | 464.36 | 97.87 | (0.42) | 190.46 | 1,425.82 |

As per sec 45 - IC of the Reserve Bank of India Act,1934, No appropriation of any sum from the reserve fund (Statutory Reserve) shall be made by the non-banking financial company except for the purpose as may be specified by the Bank from time to time and every such appropriation shall be reported to the Bank within 21 days from the date of such withdrawal.

As at March 31, 2023

Restated

| Particulars | Reserves and Surplus | | | | Items of Other Comprehensive Income (OCI) | | Total |
|--|----------------------|----------------------------|---|-----------------|--|---|----------|
| | Statutory Reserve | Capital Redemption Reserve | Balance in Statement of Profit and Loss | General Reserve | Re-measurements of net defined benefit plans | Gains/ (losses) from equity investments through OCI | |
| Balance as at April 1, 2022 | 532.99 | 100.42 | 390.71 | 97.87 | (0.49) | 140.07 | 1,261.57 |
| Changes in accounting policy/prior period errors | - | - | 1.57 | - | - | - | 1.57 |
| Restated balance at the beginning of the reporting year | 532.99 | 100.42 | 392.28 | 97.87 | (0.49) | 140.07 | 1,263.14 |
| Net Profit after Tax transferred from Statement of Profit & Loss | - | - | 16.55 | - | - | - | 16.55 |
| Dividend paid | - | - | (84.77) | - | - | - | (84.77) |
| Transfer to/from retained earnings | 4.05 | - | (4.05) | - | - | - | - |
| Changes in other comprehensive income | - | - | - | - | 0.09 | 8.48 | 8.57 |
| Income Tax on changes in other comprehensive income | - | - | - | - | (0.02) | (1.87) | (1.89) |
| Balance as at March 31, 2023 | 537.04 | 100.42 | 320.01 | 97.87 | (0.42) | 146.68 | 1,201.60 |

As per sec 45 - IC of the Reserve Bank of India Act,1934, No appropriation of any sum from the reserve fund (Statutory Reserve) shall be made by the non-banking financial company except for the purpose as may be specified by the Bank from time to time and every such appropriation shall be reported to the Bank within 21 days from the date of such withdrawal.

Refer note number 37 for effects of restatement.



Note No. 21: Interest & Discount Income

| Particulars | For the year ended on March 31, 2024 | | For the year ended on March 31, 2023 | |
|-----------------------------------|--|--|--|--|
| | Interest Income on securities classified at fair value through profit or loss | Interest Income on securities classified at Amortised cost | Interest Income on securities classified at fair value through profit or loss | Interest Income on securities classified at Amortised cost |
| Interest Income from Investments | 850.58 | 166.51 | 628.44 | 92.19 |
| Interest on deposits with Banks | - | 3.66 | - | 0.07 |
| Other interest income (LAF) | - | 2.38 | - | 0.88 |
| Total Interest income | 850.58 | 172.55 | 628.44 | 93.14 |
| Discount Income (refer note 24) | 356.57 | - | 254.47 | - |
| Total Discount income | 356.57 | - | 254.47 | - |
| Total | 1,207.15 | 172.55 | 882.91 | 93.14 |

Note No. 22: Fees and commission income

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 |
|---------------------------------------|---|---|
| Underwriting Income | 1.91 | 2.17 |
| Income from constituents | 1.59 | 0.56 |
| Commission on Non Competitive Bidding | 0.35 | 0.22 |
| Total | 3.85 | 2.95 |



Note No. 23: Net Fair Value Gain / (Loss)

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 (Restated) |
|--|--------------------------------------|---|
| Opening Fair Value gain or (loss) of Investment in FVTPL Securities | | |
| - Dated Government Securities | (117.64) | (45.69) |
| - Other Securities | (21.70) | (6.65) |
| - Treasury Bills | (3.19) | (0.16) |
| - Zero Coupon & Deep Discount Bonds | 0.00 | (0.19) |
| - Certificate of Deposits | (0.85) | 2.04 |
| - Commercial Paper | (2.01) | 0.06 |
| Total | (145.39) | (50.59) |
| Closing Fair Value gain or (loss) of Investment in FVTPL Securities | | |
| - Dated Government Securities | (50.16) | (117.64) |
| - Other Securities | (13.39) | (21.70) |
| - Treasury Bills | (1.42) | (3.19) |
| - Certificate of Deposits | 0.02 | (0.85) |
| - Commercial Paper | (0.53) | (2.01) |
| Total | (65.48) | (145.39) |
| Net Fair Value Gain / (Loss) | 79.91 | (94.80) |

Refer note number 37 for effects of restatement.

Note No. 24: Trading Profit / (Loss) on Investments classified under FVTPL category

For the year ended on March 31, 2024

(₹ in crore)

| Particulars | Sales | Closing Stock at acquisition value | Purchases | Discount Income | Opening Stock at acquisition value | Trading Profit |
|---|--------------------|------------------------------------|--------------------|-----------------|------------------------------------|----------------|
| - Dated Government Securities (GSEC & SDL) | 84,625.25 | 12,405.90 | 86,496.98 | - | 10,524.81 | 9.35 |
| - Strips | 8,714.25 | 85.67 | 8,454.62 | 25.11 | 307.86 | 12.32 |
| - NCD & Tax Free Bonds | 1,635.86 | 2,941.53 | 2,836.78 | - | 1,743.40 | (2.79) |
| - Treasury Bills | 64,548.55 | 5,258.68 | 66,930.58 | 247.78 | 2,626.85 | 2.02 |
| - Certificate of Deposits | 887.21 | 448.42 | 554.36 | 43.35 | 737.91 | 0.00 |
| - Commercial Paper | 870.00 | 286.47 | 269.21 | 40.33 | 846.94 | (0.00) |
| - Equity | 62.78 | - | 40.01 | - | - | 22.77 |
| Total | 1,61,343.90 | 21,426.67 | 1,65,582.54 | 356.57 | 16,787.77 | 43.67 |

For the year ended on March 31, 2023(Restated)

(₹ in crore)

| Particulars | Sales | Closing Stock at acquisition value | Purchases | Discount Income | Opening Stock at acquisition value | Trading Profit |
|---|--------------------|------------------------------------|--------------------|-----------------|------------------------------------|----------------|
| - Dated Government Securities (GSEC & SDL) | 77,174.84 | 10,524.81 | 80,166.82 | - | 7,545.71 | (12.88) |
| - Strips | 1,457.87 | 307.86 | 1,713.42 | 12.90 | 37.67 | 1.74 |
| - NCD & Tax Free Bonds | 2,144.58 | 1,743.40 | 1,829.80 | - | 2,060.30 | (2.12) |
| - Treasury Bills | 51,283.61 | 2,626.85 | 51,564.59 | 161.07 | 2,210.21 | (25.41) |
| - Certificate of Deposits | 396.14 | 737.91 | 774.04 | 36.87 | 323.13 | 0.01 |
| - Commercial Paper | 348.35 | 846.94 | 885.78 | 43.63 | 265.86 | 0.02 |
| - Equity | 16.87 | - | 13.72 | - | - | 3.15 |
| Total | 1,32,822.26 | 16,787.77 | 1,36,948.17 | 254.47 | 12,442.88 | (35.49) |



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No. 25: Other Income

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 |
|---|---|---|
| Dividend on Investment in Equity Shares designated under FVOCI category | 0.90 | 0.56 |
| Excess Provisions of earlier years written back (refer note I) | 0.40 | 0.62 |
| Provision on Doubtful Debts Written Back (refer note III) | - | - |
| Implied interest on lease deposits | 0.03 | 0.03 |
| Profit on derecognition of ROU Assets | - | - |
| Profit on sale of asset / written off | - | - |
| Other Income(refer note II) | 1.08 | 1.03 |
| Total | 2.41 | 2.24 |

Note

I) Includes reversal of excess provision of Performance link incentive payable of ₹ 0.40 crores (FY 2022-23 ₹ 0.52 crore) related to previous years .

II) During the year Company has received ₹ 1.00 crore(FY 2022-23 ₹ 1.03 crore) from liquidator of The Madhavpura Mercantile Co-operative Bank Limited against the claim of ₹ 13.30 crore, which was already written off in books of accounts in F.Y 2011-12. (Total amount recovered as on March 31, 2024 is ₹ 3.15 crore)

Note No. 26: Finance Cost

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 |
|---------------------------------|---|---|
| | On financial liabilities measured at amortised cost | On financial liabilities measured at amortised cost |
| Interest on:- | | |
| Call, Short Notice & Term Money | 314.15 | 242.88 |
| Inter Corporate Deposits | 30.93 | 28.87 |
| Borrowing arrangements with RBI | 34.25 | 8.70 |
| REPO Borrowings | 245.89 | 152.03 |
| Discount on TREPS | 600.42 | 353.03 |
| Lease Liability Ind AS 116 | 0.20 | 0.21 |
| Commitment Fee on LOC | 2.10 | 1.70 |
| Other Interest (Refer note 1) | - | 0.55 |
| Total | 1,227.94 | 787.97 |

Note 1 : Interest on Income tax of AY 2022-23



Note No. 27: Employee Benefit Expenses

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 |
|--|--|--|
| Salaries and wages | 12.64 | 10.52 |
| Contribution to provident and other funds | 0.57 | 0.54 |
| Staff welfare expenses | 0.44 | 0.29 |
| Others: | | |
| - Gratuity- through Statement of Profit & Loss | 0.13 | 0.22 |
| - Leave Encashment & Compensated absence | 0.17 | (0.38) |
| - Performance Linked Incentive | 3.05 | 2.30 |
| Sub-Total taken to Statement of Profit & Loss | 17.00 | 13.49 |
| - Gratuity- through Other Comprehensive Income | 0.00 | (0.09) |
| Total | 17.00 | 13.40 |

Note No. 28: Other Expenses

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 |
|--------------------------------------|--|--|
| Electricity Charges | 0.19 | 0.21 |
| Securities Transaction Expenses | 0.09 | 0.02 |
| Rent (including Rates & Taxes) | 0.16 | 0.20 |
| Insurance | 0.01 | 0.01 |
| Information & Technology Expense | 1.30 | 2.20 |
| Postages/Telephone/Telex | 0.48 | 0.53 |
| Printing & Stationery | 0.20 | 0.16 |
| Advertisement | 0.01 | 0.01 |
| Travelling | 0.43 | 0.73 |
| Training | 0.03 | 0.11 |
| Legal and Professional Fees | 0.68 | 0.59 |
| Repairs / Renewals / Maintenance | 2.71 | 2.50 |
| Bank & Depository Charges | 0.04 | 0.02 |
| Stamp duty on purchase of securities | 0.00 | - |
| Clearing & Settlement Charges | 4.12 | 3.35 |
| Sitting fees to Directors | 0.24 | 0.22 |
| Payment of Membership Fees | 0.03 | 0.04 |
| Payment to Auditors : | | |
| - Audit Fees | 0.16 | 0.15 |
| - Tax Audit Fees | 0.01 | 0.01 |
| - Other Services Fees | 0.01 | 0.02 |
| - Reimbursement of Expenses | - | - |
| Loss on sale of asset / written off | 0.00 | - |
| Royalty | 1.96 | 2.84 |
| Conference | - | 0.12 |
| Sales Promotion | 0.18 | 0.11 |
| Hospitality | 0.07 | 0.10 |
| GST Expense | 1.89 | 1.97 |
| Expenditure on CSR Activities | 4.20 | 5.43 |
| Miscellaneous Expenses | 0.23 | 0.29 |
| Total | 19.43 | 21.94 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements****Note No. 29: Earning Per Share (EPS)**

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 (Restated) |
|---|--|---|
| Face Value Per Equity Share (₹) | 100.00 | 100.00 |
| Basic Earnings Per Share (₹) | 94.73 | 8.69 |
| Net Profit After Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in crore) | 180.44 | 16.55 |
| Weighted Average Number of Equity Shares (₹ in crore) used as denominator for calculating Basic EPS | 1.90 | 1.90 |
| Diluted Earnings Per Share (₹) | 94.73 | 8.69 |
| Net Profit After Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ In crore) | 180.44 | 16.55 |
| Weighted Average Number of Equity Shares (₹ in crore) used as denominator for calculating Diluted EPS | 1.90 | 1.90 |



Note No. 30: Fair Value Measurement

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

(₹ in crore)

| Particulars | Fair Value through Profit or Loss | Amortised Cost | Designated at fair value through Other Comprehensive income | Total |
|--|-----------------------------------|------------------|---|------------------|
| Financial Assets | | | | |
| Cash and cash equivalents | - | 8.45 | - | 8.45 |
| Bank balances other than cash and cash equivalents | - | 1.48 | - | 1.48 |
| Investment in Government Securities | 15,261.95 | 2,421.15 | - | 17,683.10 |
| Investment in Debt Securities | 3,676.41 | - | - | 3,676.41 |
| Investment in Equity Shares | - | - | 247.56 | 247.56 |
| Loans | - | 120.78 | - | 120.78 |
| Trade Receivables | - | 1,122.99 | - | 1,122.99 |
| Other Financial Assets | - | 368.94 | - | 368.94 |
| Total | 18,938.36 | 4,043.79 | 247.56 | 23,229.71 |
| Financial Liabilities | | | | |
| Trade Payables | - | 1,134.77 | - | 1,134.77 |
| Borrowings | - | 20,436.65 | - | 20,436.65 |
| Lease Liabilities | - | 5.38 | - | 5.38 |
| Other Financial Liabilities | - | 21.51 | - | 21.51 |
| Total | - | 21,598.31 | - | 21,598.31 |

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

(₹ in crore)

| Particulars | Fair Value through Profit or Loss | Amortised Cost | Designated at fair value through Other Comprehensive income | Total |
|--|-----------------------------------|------------------|---|------------------|
| Financial Assets | | | | |
| Cash and cash equivalents | - | 15.09 | - | 15.09 |
| Bank balances other than cash and cash equivalents | - | 1.06 | - | 1.06 |
| Investment in Government Securities | 11,352.29 | 1,985.82 | - | 13,338.10 |
| Investment in Debt Securities | 3,303.69 | - | - | 3,303.69 |
| Investment in Equity Shares | - | - | 190.91 | 190.91 |
| Trade Receivables | - | 94.66 | - | 94.66 |
| Other Financial Assets | - | 282.01 | - | 282.01 |
| Total | 14,655.98 | 2,378.63 | 190.91 | 17,225.53 |
| Financial Liabilities | | | | |
| Trade Payables | - | 89.86 | - | 89.86 |
| Borrowings | - | 15,748.37 | - | 15,748.37 |
| Lease Liabilities | - | 7.25 | - | 7.25 |
| Other Financial Liabilities | - | 10.84 | - | 10.84 |
| Total | - | 15,856.32 | - | 15,856.32 |



Note No. 31: Fair Value Hierarchy

(₹ in crore)

| Particulars | As at March 31, 2024 | | | |
|-------------------------------------|---|--|--|------------------|
| | Level 1 (Quoted price in active market) | Level 2 (Significant observable inputs) | Level 3 (Significant unobservable inputs) | Total |
| Financial Assets | | | | |
| Investment in Government Securities | 15,261.95 | - | - | 15,261.95 |
| Investment in Debt Securities | - | 3,676.41 | - | 3,676.41 |
| Investment in Equity Shares | - | - | 247.56 | 247.56 |
| Total | 15,261.95 | 3,676.41 | 247.56 | 19,185.92 |

(₹ in crore)

| Particulars | As at March 31, 2023 | | | |
|-------------------------------------|---|--|--|------------------|
| | Level 1 (Quoted price in active market) | Level 2 (Significant observable inputs) | Level 3 (Significant unobservable inputs) | Total |
| Financial Assets | | | | |
| Investment in Government Securities | 11,352.29 | - | - | 11,352.29 |
| Investment in Debt Securities | - | 3,303.69 | - | 3,303.69 |
| Investment in Equity Shares | - | - | 190.91 | 190.91 |
| Total | 11,352.29 | 3,303.69 | 190.91 | 14,846.89 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements****Note No 32: Contingent Liabilities & Commitments****(i) Claims against the Company not acknowledged as Debts:-**

The company is at various stages of appeals against Income Tax dues amounting to ₹ 0.94 crore as on March 31, 2024 and ₹ 0.94 crore as on March 31, 2023.

Note No 33: Leases

The following is the movement in lease liabilities during the year ended:

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 |
|--|--|--|
| Opening Balance at the beginning of the year | 7.25 | 8.02 |
| Additions | 0.25 | 1.33 |
| Deletions | (0.15) | (0.14) |
| Finance cost accrued during the period | 0.20 | 0.22 |
| Payment of lease liabilities | (2.17) | (2.18) |
| Balance as at the end of the year | 5.38 | 7.25 |

The table below provides details regarding the contractual maturities of lease liabilities as at end of the year on an undiscounted basis:

(₹ in crore)

| Particulars | For the year ended on March 31, 2024 | For the year ended on March 31, 2023 |
|-----------------------|--|--|
| Less than one year | 2.22 | 2.20 |
| One to three years | 3.38 | 5.45 |
| More than three years | 0.01 | 0.01 |
| Total | 5.61 | 7.66 |

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Rental expense recorded for short-term leases are ₹ 0.11 crore for the year ended on March 31, 2024 and ₹ 0.20 crore for low value assets for the year ended on March 31, 2023.

Gains and losses from sale & lease back transactions is ₹ NIL for the year ended on March 31, 2024 and ₹ NIL for the year ended March 31, 2023.



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No. 34: Segment Information

(₹ in crore)

| Particulars | Gilts Segment | | Non-Gilts Segment | | Equity and Mutual Fund | | Others | | Total | |
|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Revenues from external clients | 940.47 | 766.22 | 542.30 | 212.71 | 22.77 | - | 4.00 | 2.80 | 1,509.54 | 981.73 |
| Inter Segment | - | - | - | - | - | - | - | - | - | - |
| Extraordinary Items | - | - | - | - | - | - | - | - | - | - |
| Total Revenue | 940.47 | 766.22 | 542.30 | 212.71 | 22.77 | - | 4.00 | 2.80 | 1,509.54 | 981.73 |
| Segment Result | (258.36) | (87.37) | 511.37 | 145.52 | 22.68 | 3.13 | 4.00 | 2.80 | 279.69 | 64.08 |
| Unallocated Expenses | - | - | - | - | - | - | - | - | 34.52 | 33.31 |
| Depreciation & Amortisation | - | - | - | - | - | - | - | - | 2.75 | 3.35 |
| Profit Before Tax | (258.36) | (87.37) | 511.37 | 145.52 | 22.68 | 3.13 | 4.00 | 2.80 | 242.42 | 27.42 |
| Provision for Tax | - | - | - | - | - | - | - | - | - | - |
| Current Tax | - | - | - | - | - | - | - | - | 43.01 | 31.59 |
| Excess Provision of earlier years | - | - | - | - | - | - | - | - | - | 0.21 |
| Deferred Tax | - | - | - | - | - | - | - | - | 18.97 | (22.90) |
| Profit After Tax | (258.36) | (87.37) | 511.37 | 145.52 | 22.68 | 3.13 | 4.00 | 2.80 | 180.44 | 18.52 |
| Segment Assets | 15,485.88 | 11,547.31 | 4,044.67 | 3,564.86 | - | - | 3,731.60 | 2,155.10 | 23,262.15 | 17,267.27 |
| Segment Liabilities | 20,458.17 | 15,759.22 | - | - | - | - | 1,187.67 | 113.82 | 21,645.84 | 15,873.04 |

Note:

Segment Revenue and Expenses:

The segment revenue and expenses include all incomes/expenses directly attributable to the respective segments. Administrative expenses, staff expenses and depreciation on Property, plant and equipments cannot be attributed to any particular segment and are hence, regarded as unallocable expenses.

Segment Assets and Liabilities

Segment assets and liabilities include only those assets and liabilities that are directly attributable to the respective segments. The assets and liabilities that cannot be directly identified with any particular segment are regarded as unallocable.

The Gilts segment comprises of Dated Government Securities, Treasury Bills, TREPS, Call/Notice/Term lending and borrowings, and all revenues and expenses directly related thereto.

The Non-Gilts segment comprises of Certificates of Deposit, Commercial Papers, other Non-SLR Securities, Term Deposits and Inter-Corporate Deposits and all revenues and expenses directly related thereto.

Equity & Mutual Funds comprises of Equity Shares, Equity Derivatives and Equity & Debt oriented Mutual funds and all revenues and expenses directly related thereto.



SBI DFHI LIMITED

Notes Forming Parts of Financial Statements

Note 35.1 : Names of related parties and description of relationship

A. Holding company:

State Bank of India

B. Associates of the holding company

1. Regional Rural Banks

Andhra Pradesh Grameena Vikas Bank
Arunachal Pradesh Rural Bank
Chhattisgarh Rajya Gramin Bank
Ellaquai Dehati Bank
Madhyanchal Gramin Bank
Meghalaya Rural Bank
Mizoram Rural Bank

Nagaland Rural Bank
Saurashtra Gramin Bank
Utkal Grameen Bank
Uttarakhand Gramin Bank
Jharkhand Rajya Gramin Bank
Rajasthan Marudhara Gramin Bank
Telangana Grameena Bank

2. Others

The Clearing Corporation of India Limited (CCIL)
YES Bank Limited
Bank of Bhutan Ltd.

Jio Payments Bank Ltd.
Investec Capital Services (India) Pvt. Ltd. (from 29.06.2021)

C. Jointly Controlled Entities of the holding company

C Edge Technologies Ltd
SBI Macquarie Infrastructure Management Pvt Ltd
SBI Macquarie Infrastructure Trustee Pvt. Ltd
Macquarie SBI Infrastructure Mgmt Pte. Ltd

Macquarie SBI Infrastructure Trustee Ltd
Oman-India Joint Investment Fund Mgmt. Company Pvt.Ltd.
Oman-India Joint Investment Fund Trustee Company Pvt. Ltd.

D. Subsidiaries of the holding company:

1. Domestic Subsidiaries

SBI Capital Markets Ltd.
SBICAP Securities Ltd.
SBICAP Trustee Company Ltd.
SBICAP Ventures Ltd.
SBI Global Factors Ltd.
SBI Infra Management Solutions Pvt. Ltd. (under voluntary liquidation w.e.f. 04.02.2022)
SBI Mutual Fund Trustee Company Pvt. Ltd.
SBI Payment Services Pvt. Ltd.
State Bank Operations Support Services Pvt.Ltd. (SBOSS)

SBI Funds Management Pvt. Ltd.
SBI Foundation
SBI Cards and Payments Services Pvt. Ltd.
SBI General Insurance Company Ltd.
SBI Life Insurance Company Ltd.
SBI-SG Global Securities Services Pvt. Ltd.
SBI Funds Management (International) Pvt. Ltd.
SBI Pension Funds Pvt. Ltd.
SBI CDMDF Trustee Private Limited

2. Foreign Subsidiaries

SBI (Mauritius) Ltd.
SBI Canada Bank
State Bank of India (California)
Commercial Indo Bank LLC, Moscow
PT Bank SBI, Indonesia

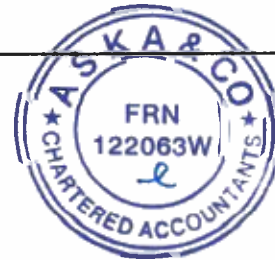
Nepal SBI Bank Ltd.
Nepal SBI Merchant Banking Ltd.
State Bank of India Servicos Limitada, Brazil
State Bank of India (UK) Ltd.

E. Key Management Personnel (KMP) of the Company

| Sr. No | Name | Category |
|--------|------------------------------|---|
| 1 | Shri Ashwini Kumar Tewari | Non Executive Director & Chairman (w.e.f March 28, 2024) |
| 2 | Shri Swaminathan Janakiraman | Non Executive Director & Chairman (w.e.f August 26, 2022 upto June 26, 2023) |
| 3 | Shri S. V. Sastry | Nominee Director |
| 4 | Shri Kumar Viswanathan | MD & CEO (w.e.f July 19, 2022) |
| 5 | Shri K.Sridhar | MD & CEO (upto June 28, 2022) |
| 6 | Dr H. K. Pradhan | Independent Director (upto January 14, 2024) |
| 7 | Dr. Brinda Jagirdar | Independent Director |
| 8 | CA Pravin Kutumbe | Independent Director (w.e.f January 12, 2023) |
| 9 | CA Jayant Gokhale | Independent Director (w.e.f July 14, 2021 upto November 25, 2022) |
| 10 | S.A.Ramesh Rangan | Independent Director (w.e.f October 11, 2021) |
| 11 | Dr Ganesh Natrajan | Additional Director (w.e.f January 19, 2021) |
| 12 | Shri J. V. S. Dattu | EVP & CFO (w.e.f July 21, 2023) |
| 13 | Shri Dilip Kumar Mishra | EVP & CFO (upto July 21, 2023) |
| 14 | Shri Sunil Kudale | Company Secretary & Chief Compliance Officer |

Key Management Personnel (KMP) of the Holding Company

| Sr. No | Name | Category |
|--------|--------------------------------|---------------------------------|
| (i) | Shri Dinesh Kumar Khara | Chairman |
| (ii) | Shri Challa Sreenivasulu Setty | Managing Director |
| (iii) | Shri Ashwini Kumar Tewari | Managing Director |
| (iv) | Shri Alok Kumar Choudhary | Managing Director |
| (v) | Shri Vinay M. Tonse | Managing Director |
| (vi) | Ms. Saloni Narayan | Dy. Managing Director (Finance) |
| (vii) | Shri Kameshwar Rao Kodavanti | Chief Financial Officer |



(₹ in crore)

| Related Party | Type | Parent (as per ownership or control) | | Subsidiaries Of The Holding Company | | Associates/ Joint ventures | | Key Management Personnel | | Relatives of Key Management Personnel | | Others | | Total | |
|---|-------------|--------------------------------------|----------|-------------------------------------|---------|----------------------------|---------|--------------------------|---------|---------------------------------------|---------|---------|---------|----------|----------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Items | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Outstanding as at | | | | | | | | | | | | | | | |
| Intraday Transaction | | | | | | | | | | | | | | | |
| Borrowing | Liabilities | 1,480.00 | - | - | - | - | - | - | - | - | - | - | - | 1,480.00 | - |
| Trade Payables | Liabilities | - | - | - | - | 0.42 | 0.29 | - | - | - | - | - | - | 0.42 | 0.29 |
| Other financial liabilities (Interest Accrued & other Expenses) | Liabilities | 5.01 | - | - | - | - | - | - | - | - | - | - | - | 5.01 | - |
| Cash and Cash Equivalents | Assets | 2.31 | 1.49 | - | - | - | - | - | - | - | - | - | - | 2.31 | 1.49 |
| Investments | Assets | - | - | 50.00 | 59.93 | 2.25 | 2.25 | - | - | - | - | - | - | 52.25 | 62.18 |
| Trade Receivables | Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financial assets (Interest Accrued) | Assets | - | - | 2.01 | 2.60 | 0.19 | 0.17 | - | - | - | - | - | - | 2.20 | 2.77 |
| Other financial assets (other deposit) | Assets | - | - | - | - | 22.87 | 18.12 | - | - | - | - | - | - | 22.87 | 18.12 |
| Provisions (Gratuity fund balance) | Assets | - | - | 2.17 | 2.03 | - | - | - | - | - | - | - | - | 2.17 | 2.03 |
| Fixed Deposits | | | | | | | | | | | | | | | |
| Maximum outstanding | | | | | | | | | | | | | | | |
| Intraday Transaction | | | | | | | | | | | | | | | |
| Borrowing | Liabilities | 1,480.00 | 1,450.00 | - | - | 150.00 | - | - | - | - | - | - | - | 1,630.00 | 1,450.00 |
| Trade Payables | Liabilities | - | - | - | - | 0.54 | 0.29 | - | - | - | - | - | - | 0.54 | 0.29 |
| Other financial liabilities ((Interest Accrued) | Liabilities | 3.28 | 2.88 | - | - | 0.17 | - | - | - | - | - | - | - | 3.46 | 2.88 |
| Cash and Cash Equivalents | Assets | 606.56 | 492.78 | - | - | - | - | - | - | - | - | - | - | 606.56 | 492.78 |
| Investments | Assets | - | - | 59.93 | 90.06 | 2.25 | 2.25 | - | - | - | - | - | - | 62.18 | 92.31 |
| Trade Receivables | Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financial assets (Interest Accrued) | Assets | - | - | 2.01 | 5.48 | 0.80 | 0.17 | - | - | - | - | - | - | 2.82 | 5.65 |
| Other financial assets (other deposit) | Assets | - | - | - | - | 25.22 | 25.12 | - | - | - | - | - | - | 25.22 | 25.12 |
| Provisions (Gratuity fund balance) | Assets | - | - | 2.19 | 2.05 | - | - | - | - | - | - | - | - | 2.19 | 2.05 |
| Fixed Deposits | Assets | - | - | - | - | 700.00 | - | - | - | - | - | - | - | - | - |



| Related Party | Type | Parent (as per ownership or control) | | Subsidiaries Of The Holding Company | | Associates/ Joint ventures | | Key Management Personnel | | Relatives of Key Management Personnel | | Others | | Total | |
|---|--------------|--------------------------------------|---------------------|-------------------------------------|----------|----------------------------|----------|--------------------------|---------|---------------------------------------|---------|---------|---------|-----------|-----------|
| | | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Items | | | | | | | | | | | | | | | |
| During the year | | | | | | | | | | | | | | | |
| Intraday Transaction | Liabilities | Rs 1,100 Cr Per day | Rs 1,100 Cr Per day | - | - | Rs 500 Cr per day | - | - | - | - | - | - | - | - | - |
| Borrowings taken | Liabilities | 28,660.50 | 25,267.50 | - | - | 3,915.00 | - | - | - | - | - | - | - | 32,575.50 | 25,267.50 |
| Borrowings Repayment | Liabilities | 27,180.50 | 25,282.50 | - | - | 3,915.00 | - | - | - | - | - | - | - | 31,095.50 | 25,282.50 |
| Lending Given | Assets | 114.00 | - | - | - | - | - | - | - | - | - | - | - | 114.00 | - |
| Lending Repayment | Assets | 114.00 | - | - | - | - | - | - | - | - | - | - | - | 114.00 | - |
| Purchase of investments | Assets | 861.47 | 1,259.96 | 2,620.31 | 1,250.60 | 399.19 | 1,679.28 | - | - | - | - | - | - | 3,880.99 | 4,189.83 |
| Sale of investments | Assets | 19,150.35 | 16,026.96 | 7,525.10 | 6,638.94 | 1,355.12 | 3,024.09 | - | - | - | - | - | - | 28,030.56 | 25,689.98 |
| Fixed Deposits | Assets | - | - | - | - | 3,680.78 | - | - | - | - | - | - | - | 3,680.78 | - |
| Broken period interest received | Assets | 144.07 | 73.26 | 75.83 | 75.83 | 20.43 | 2.17 | - | - | - | - | - | - | 240.33 | 151.26 |
| Broken period interest Payment | Liabilities | 16.56 | 25.02 | 13.45 | 13.45 | 2.41 | 30.70 | - | - | - | - | - | - | 32.42 | 69.17 |
| Purchase of Property, Plant and Equipment | Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Gratuity Contribution | Assets | - | - | 0.07 | 1.54 | - | - | - | - | - | - | - | - | 0.07 | 1.54 |
| Sale of Property, Plant and Equipment | Assets | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Dividend payment | Other Equity | - | 58.53 | - | 2.65 | - | - | - | - | - | - | - | - | - | 61.18 |
| Interest expenses | Expenses | 41.72 | 24.09 | - | - | 1.82 | - | - | - | - | - | - | - | 43.55 | 24.08 |
| Interest Income | Income | 0.04 | - | 3.81 | 5.91 | 4.42 | 0.51 | - | - | - | - | - | - | 8.26 | 6.43 |
| Dividend received | Income | - | - | - | - | 0.90 | 0.56 | - | - | - | - | - | - | 0.90 | 0.56 |
| Other Income | Income | - | - | 0.01 | - | 0.10 | 0.06 | - | - | - | - | - | - | 0.11 | 0.06 |
| Others | Expenses | 0.01 | - | 0.01 | - | - | - | - | - | - | - | - | - | 0.02 | - |
| Rent | Expenses | 0.09 | 0.09 | - | - | - | - | - | - | - | - | - | - | 0.09 | 0.09 |
| Salaries and wages# | Expenses | 4.40 | 3.16 | - | - | - | - | 2.01 | 1.68 | - | - | - | - | 6.41 | 4.84 |
| Director Sitting fees | Expenses | - | - | - | - | - | - | 0.24 | 0.22 | - | - | - | - | 0.24 | 0.22 |
| Expenditure on CSR Activities | Expenses | - | - | 7.08 | 1.00 | - | - | - | - | - | - | - | - | 7.08 | 1.00 |
| Royalty | Expenses | 1.96 | 2.84 | - | - | - | - | - | - | - | - | - | - | 1.96 | 2.84 |
| Other expenses (Commitment fees & Bank Charges) | Expenses | 1.20 | 1.30 | - | 0.10 | 3.96 | 3.03 | - | - | - | - | - | - | 5.17 | 4.42 |
| Reimbursement of Expense | Expenses | - | - | 0.00 | - | 0.07 | 0.08 | - | - | - | - | - | - | 0.07 | 0.08 |

Salaries & wages paid to the KMP include salary reimbursement made to the SBI (parent company)



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No 36 : Details of stocks pledged

(₹ in crore)

| Sr No | Particulars | Pledged with | March 31, 2024 | | March 31, 2023 | |
|-------|---|-----------------------------------|----------------|------------|----------------|------------|
| | | | Face value | Fair value | Face value | Fair value |
| 1 | Towards Securities Guarantee Fund (SGF), Triparty Repo (TREPS). | Clearing Corporation of India Ltd | 10,878.08 | 10,725.67 | 7,822.52 | 7,673.52 |
| 2 | Towards IRF - Rupee Derivatives (Guaranteed Settlement). | Clearing Corporation of India Ltd | 1.00 | 1.00 | 1.00 | 1.01 |
| 3 | Towards Business Segment (Securities) Triparty Repo. | Clearing Corporation of India Ltd | 15.00 | 15.11 | 5.00 | 4.93 |
| 4 | Default Fund Towards Business Segment (Securities) for Trade. | Clearing Corporation of India Ltd | 23.00 | 22.94 | 9.00 | 8.77 |
| 5 | Collateral Holding Towards Business Segment (Securities) under Settlement Guarantee Fund. | Clearing Corporation of India Ltd | 275.00 | 270.90 | 275.00 | 266.10 |
| 6 | Towards IRF Margin. | Bombay Stock Exchange (BSE) | 0.20 | 0.20 | 0.20 | 0.20 |
| 7 | Towards IDL | Reserve Bank of India | 646.77 | 650.70 | 442.08 | 443.14 |
| 8 | Towards Liquidity Support Scheme (LSS) | Reserve Bank of India | 1,550.00 | 1,538.50 | 538.00 | 510.76 |
| 9 | Towards Liquidity Adjustment Facility (LAF)/Standing Liquidity Facility (SLF) | Reserve Bank of India | 499.97 | 496.72 | 1,208.00 | 1,148.50 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements****Note No 37 : Impact of restatement on previous year financial statements**

During the current year, the company has started fair valuation of investment in commercial paper (CP) and certificate of deposits(CD) which has been valued and recorded at carrying cost up to financial year ended 31 March 2023. As a result, the company has restated prior period (March 31, 2023) reported financial amount are as follows :

Balance Sheet

| S. No | Particulars | Previously Reported Amount | Prior period impact | Restated amount |
|-------|--------------------------------|----------------------------|---------------------|-----------------|
| 1 | Investments | 16,835.57 | (2.86) | 16,832.71 |
| 2 | Deferred tax liabilities (Net) | 4.00 | (0.72) | 3.28 |
| 3 | Other Equity | 1,203.74 | (2.14) | 1,201.60 |

Profit and loss

| S. No | Particulars | Previously Reported Amount | Prior period impact | Restated amount |
|-------|---|----------------------------|---------------------|-----------------|
| 1 | Net loss on fair value changes | 89.84 | 4.96 | 94.80 |
| 2 | Profit/(Loss) before tax (V-VI) | 29.16 | (4.96) | 24.20 |
| 3 | Deferred Tax Charge / (Credit) | (22.90) | (1.25) | (24.15) |
| 4 | Profit/(Loss) for the period / year from continuing operations (VII-VIII) | 20.26 | (3.71) | 16.55 |
| 5 | Total other comprehensive income for the period / year (A+B) | 26.94 | (3.71) | 23.22 |

Statement of changes in equity (SOCIE)

| S. No | Particulars | Previously Reported Amount | Prior period impact | Restated amount |
|-------|--|----------------------------|---------------------|-----------------|
| 1 | Beginning balance in Statement of Profit and Loss (Opening retained earning) net of taxes | 390.71 | 1.57 | 392.28 |
| 2 | Profit/(Loss) for the period / year net of taxes | 20.26 | (3.71) | 16.55 |
| 3 | Closing balance in Statement of Profit and Loss (Closing retained earning) net of taxes | 322.15 | (2.14) | 320.01 |



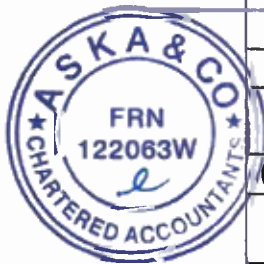
SBI DFHI LIMITED
Notes Forming Parts of Financial Statements
Note No 38 : Defined Benefit Plans

Disclosures as per Ind AS 19 "Employee Benefits" for gratuity (Defined Benefit Plan) are as under:

Actuarial Assumptions

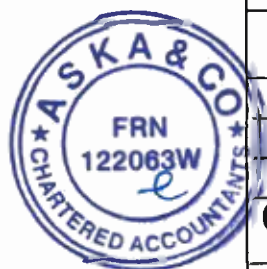
(₹ in crore)

| Sr No | Particulars | March 31, 2024, | March 31, 2023 |
|------------|--|--|--|
| (1) | Change in the present value of Projected Benefit Obligation | | |
| | Expected Return on Plan Assets | 7.19% | 7.39% |
| | Rate of Discounting | 7.19% | 7.39% |
| | Rate of Salary Increase | 12.00% | 12.00% |
| | Rate of Employee Turnover | 10.00% | 10.00% |
| | Mortality Rate During Employment | Indian Assured Lives Mortality (2012-2014) | Indian Assured Lives Mortality (2012-2014) |
| | Mortality Rate After Employment | N.A. | N.A. |
| (2) | Change in the present value of Projected Benefit Obligation | | |
| | Present value of benefit obligation at the beginning of the period | 2.34 | 2.23 |
| | Interest Cost | 0.17 | 0.15 |
| | Current Service Cost | 0.11 | 0.11 |
| | (Benefit Paid from the Fund) | (0.03) | (0.07) |
| | Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | (0.03) | (0.07) |
| | Actuarial (Gains)/Losses on Obligations - Due to Experience | (0.08) | (0.01) |
| | Present Value of Benefit Obligation at the End of the Period | 2.54 | 2.34 |
| (3) | Change in the Fair Value of Plan Assets | | |
| | Fair Value of Plan Assets at the beginning of the period | 2.03 | 0.52 |
| | Interest Income | 0.15 | 0.04 |
| | Contributions by the Employer | 0.06 | 1.54 |
| | (Benefit Paid from the Fund) | (0.07) | (0.07) |
| | Return on Plan Assets, Excluding Interest Income | (0.06) | 0.02 |
| | Fair Value of Plan Assets at the End of the Period | 2.17 | 2.03 |
| (4) | Amount Recognised in the Balance Sheet | | |
| | (Present Value of Benefit Obligation at the end of the period) | (2.54) | (2.34) |
| | Fair Value of Plan Assets | 2.17 | 2.03 |
| | Funded Status (Surplus/(Deficit)) | (0.37) | (0.31) |
| | Net (Liability)/Asset Recognised in the Balance Sheet | (0.37) | (0.31) |
| (5) | Net Interest Cost for Current Period | | |
| | Present Value of Benefit Obligation at the Beginning of the Period | 2.34 | 2.23 |
| | (Fair Value of Plan Assets at the Beginning | (2.03) | (0.52) |



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

| | | | |
|-------------|---|---------------|---------------|
| | of the Period) | | |
| | Net Liability/(Asset) at the Beginning | 0.31 | 1.71 |
| | Interest Cost | 0.17 | 0.15 |
| | (Interest Income) | (0.15) | (0.04) |
| | Net Interest Cost for Current Period | 0.02 | 0.12 |
| (6) | Expenses recognised in the Statement of Profit or Loss for Current Period | | |
| | Current Service Cost | 0.11 | 0.11 |
| | Net Interest Cost | 0.02 | 0.12 |
| | Expenses Recognized | 0.12 | 0.22 |
| (7) | Expenses recognised in Other Comprehensive Income (OCI) for Current Period | | |
| | Actuarial (Gains)/Losses on Obligation for the Period | (0.06) | (0.07) |
| | Return on Plan Assets, Excluding Interest Income | (0.06) | (0.02) |
| | Change in Asset Ceiling | - | - |
| | Net (Income)/Expense for the Period Recognized in OCI | (0.00) | (0.09) |
| (8) | Balance Sheet Reconciliation | | |
| | Opening Net Liability | 0.31 | 1.71 |
| | Expenses Recognized in Statement of Profit or Loss | 0.13 | 0.22 |
| | Expenses Recognized in OCI | (0.00) | (0.09) |
| | Employer's Contribution | (0.07) | (1.54) |
| | Net Liability/(Asset) Recognized in the Balance Sheet | 0.37 | 0.31 |
| (9) | Category of Assets | | |
| | Insurance fund | 2.17 | 2.03 |
| | Total | 2.17 | 2.03 |
| (10) | Other Details | | |
| | No of Active Members | 48 | 44 |
| | Per Month Salary for Active Members | 0.36 | 0.33 |
| | Weighted Average Duration of the Projected Benefit Obligation | 6.00 | 7.00 |
| | Average Expected Future Service | 7.00 | 7.00 |
| | Projected Benefit Obligation | 2.54 | 2.34 |
| | Expected Contribution for Next Year (12 Months) | 0.36 | 0.33 |
| (11) | Net Interest Cost for Next Year | | |
| | Present Value of Benefit Obligation at the End of the Period | 2.54 | 2.34 |
| | (Fair Value of Plan Assets at the End of the Period) | (2.03) | (2.03) |
| | Net Liability/(Asset) at the End of the Period | 0.36 | 0.31 |
| | Interest Cost | 0.18 | 0.17 |
| | (Interest Income) | (0.16) | (0.15) |
| | Net Interest Cost for Next Year | 0.03 | 0.02 |
| (12) | Expenses Recognised in the Statement of Profit or Loss for Next Year | | |
| | Current Service Cost | 0.10 | 0.11 |



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements**

| | | | |
|-------------|--|--------|--------|
| | Net Interest Cost | 0.03 | 0.02 |
| | Expenses Recognized | 0.13 | 0.13 |
| (13) | Maturity Analysis of the Benefit Payments | | |
| | Projected Benefits Payable in Future Years from the Date of Reporting | | |
| | 1st Following Year | 0.29 | 0.25 |
| | 2nd Following Year | 0.34 | 0.25 |
| | 3rd Following Year | 0.27 | 0.29 |
| | 4th Following Year | 0.26 | 0.24 |
| | 5th Following Year | 0.24 | 0.23 |
| | Sum of Years 6 To 10 | 1.26 | 1.20 |
| | Sum of Years 11 and above | 1.36 | 1.31 |
| (14) | Sensitivity Analysis | | |
| | Projected Benefit Obligation on Current Assumptions | 2.54 | 2.34 |
| | Delta Effect of +1% Change in Rate of Discounting | (0.12) | (0.12) |
| | Delta Effect of -1% Change in Rate of Discounting | 0.13 | 0.13 |
| | Delta Effect of +1% Change in Rate of Salary Increase | 0.04 | 0.04 |
| | Delta Effect of -1% Change in Rate of Salary Increase | (0.04) | (0.04) |
| | Delta Effect of +1% Change in Rate of Employee Turnover | 0.02 | 0.02 |
| | Delta Effect of -1% Change in Rate of Employee Turnover | (0.02) | (0.02) |

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from Prior years.



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements
Qualitative Disclosures

Para 139 (a) Characteristics of defined benefit plan

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

Para 139 (b) Risks associated with defined benefit plan.

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G. Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Para 139 (c) Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

Para 147 (a)

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962.



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No 39 : Disclosure pursuant to Ind AS 1 Presentation of Financial Statements and Ind AS 10 Events occurring after Reporting Period

FY 2023-24 :

- I. On April 22, 2024 the company has deposited ₹ 1.55 crore of unspent CSR of FY 2023-24 in a separate designated bank account within statutory time limit in accordance with the Companies Act, 2013 read with CSR Amendment Rules.

FY 2022-23 :

- II. On April 24 2023 the company has deposited ₹ 4.43 crore of unspent CSR of FY 2022-23 in a separate designated bank account within statutory time limit in accordance with the Companies Act, 2013 read with CSR Amendment Rules.
- III. On April 29, 2023 company has received unspent amount ₹00.42 crore from SBI Foundation out of contribution made for CSR expenses of ₹ 1.00 crore by the company during F.Y 2023-24 and deposited in a separate designated bank account within statutory time limit in accordance with the Companies Act, 2013 read with CSR Amendment Rules.

FY 2021-22 :

- I. The Board of Directors have recommended an interim dividend of ₹ 44.5 per equity share on face value of ₹ 100 per equity share (@ 44.5% on the share capital of ₹ 190.49 crore) at its meeting held on May 02, 2022, before approval of Financial Statements. This translates to a DPR of 59.67%, which is within the RBI guidelines as mentioned in Note 19. The fund out flow on account of interim dividend of 44.5% would be ₹ 84.77 crore.
- II. On April 22, 2022 company has received unspent amount ₹4.07 crore from SBI Foundation out of contribution made for CSR expenses of ₹ 4.87 crore by the company during F.Y 2021-22 and deposited in a separate designated bank account within statutory time limit in accordance with the Companies Act, 2013 read with CSR Amendment Rules.

Note No 40 : Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and other long-term borrowings. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of capital adequacy ratio. The details of Net Call Borrowings and Leverage Ratio of the company are disclosed under Note No 48.

Capital Risk Adequacy Ratio (CRAR) (Regulatory)

| As on March 31, 2024 | As on March 31, 2023 |
|----------------------|----------------------|
| 36.04% | 46.17% |



Note No 41 :Risk management framework

The Company's business is subject to several risks and uncertainties including financial risks.

The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the businesses are exposed in the course of their daily operations. The risk management policies cover areas such as market risk, credit risk, liquidity risk, settlement risk, operational risk and capital management.

The Company's Board approved financial risk policies include monitoring, measuring and mitigating the market risk, credit risk, liquidity risk, settlement risk and operational risk.

Market Risk

Market risk may be defined as the possibility of loss in value of assets (or increase in value of liabilities) caused by change in market variables like interest rates, equity prices etc.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's investment & debt obligations which are rate sensitive.

The Company manages its interest rate risk by prescribing and monitoring various parameters such as Peak portfolio level, Maturity wise distribution of assets/portfolio, Modified duration, PV01 etc.

The sensitivity analysis (PV01) has been carried out based on the exposure to interest rates for instruments not hedged against interest rate fluctuation at the end of the reporting period. The stress testing has been carried out on the amount of floating rate long term assets outstanding at the end of the reporting period. A 25-basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

In case of fluctuation in interest rates by 100 basis points on the exposure on long term asset of ₹ 21,359.52 crore as on March 31, 2024 and ₹ 16,644.66 crore as on March 31, 2023 respectively and if all other variables were held constant, the Company's profit and loss for the year would increase or decrease as follows:

| Particulars | (₹ in crore) | |
|---------------------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Impact on profit or loss for the year | 563.80 | 355.67 |

Credit risk

Credit risk is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counter parties. Losses may stem from outright default due to inability or unwillingness of counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions. Alternatively, losses may result from reduction in portfolio value arising from actual or perceived deterioration in credit quality.

Credit risk measurement involves identification of basic risk components like probability of default and exposure at default. Investments in G Secs are fully secured by Central and State



SBI DFHI LIMITED

Notes Forming Parts of Financial Statements

Governments and no credit risk is involved. As regards non-G-Secs, the risk is identified through the credit rating and investments made in higher credit rated instruments.

The framework for credit risk management in the Company is based on credit rating of the counterparty and a suitable limit structure. The main business of the Company is dealing in Government securities. For dealing in Government securities default risk is treated as NIL and the settlement of trades is guaranteed by the Clearing Corporation of India Limited (CCIL).

The Company is an NBFC classified as an Investment Company as per the categorization given by RBI. However, for money market dealings, the Company has set up exposure limits for counterparties for call/notice and term money lending. The Company cannot, however, lend more than 25 per cent of its net owned funds on an average basis in a reporting fortnight. Lending under reverse repo and TREPS are guaranteed by CCIL.

All investments in non-government securities are based on external credit ratings. The Risk Management Policy of the Company has fixed a minimum rating of A- for investment in PSU companies AA- for investment in Private Sector companies. In case of a security being rated by multiple rating agencies, the final rating is arrived based on the norms stipulated under Master Circular- Basel III Capital Regulations. In addition, exposure to individual companies is restricted to 15 per cent of the Net Owned Funds of the Company. Similarly, group exposure is restricted to 25 per cent of the Net Owned Funds.

Liquidity risk

Liquidity risk is the potential inability to meet the Company's liabilities as and when they become due. It originates from the mismatches in the maturity pattern of assets and liabilities. By assuring Company's ability to meet its liabilities as they become due, liquidity management can reduce the probability of an adverse situation developing.

The Primary Dealer business model has inherent liquidity risk due to asset liability mismatch. i.e. borrowings are mostly short term (mostly overnight), while assets are of short to medium tenor. In addition, the Company's business is also exposed to the risk of asset liquidity i.e. not being able to offload the securities/scrips at reasonable prices/rates in the secondary market.

Of the total liabilities as on March 31, 2024, 6.13% are own funds and 87.85% are borrowed funds. The liquidity position is assessed regularly via the following measures:

- a) Daily Trading Committee meetings wherein feedback on market conditions is sought by the Top Management from the Chief Dealer/dealers.
- b) Funding desk monitors the expected inflow/outflow for the banking system. This enables them to identify periods of easy/tight liquidity conditions. Details of maturity profile of T-bill / CDs/ CPs / ICD & Term Money deals are submitted through daily MIS reports.
- c) In the ALCO meetings, the members also discuss on expected funding needs, maturity profile and market conditions. Accordingly, the strategy is set for the ensuing fortnight. Peak level borrowings and portfolio size are also set at the ALCO meetings.

A substantial portion of our borrowed funds are from Banks and hence are from stable and dependable sources.



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements**

Company needs to borrow the funds from overnight market to leverage. Accordingly, Company follows the "Accept and Control" model in managing the liquidity risk rather than "Avoid/Transfer" model.

The Company is normally borrowing funds on a daily basis. The Company enjoys the following varied sources of funding (including from the regulator) which also incorporate any contingency funding needs:

- i. Access to Call/Notice Money (maximum: On a fortnightly basis, 225 per cent of the Net Owned Fund (NOF) i.e ₹2,807.93 crore) as at the end of March of previous financial year.
- ii. TREPS - a tripartite REPO with CCIL acting as central counterparty.
- iii. Term Money market (upto 225 per cent of Net Owned Fund (NOF) as at the end of March of previous financial year i.e., ₹ 2,807.93 crore.
- iv. Inter Corporate Deposits - Maximum 150% of NOF of the Company.
- v. RBI LAF window.
- vi. Market Repo.
- vii. RBI assured Standing Liquidity Facility upto 90 days.
- viii. Line of Credit from Banks

The Maturity Profile of Financial Liabilities is disclosed under Note No 51F.

Concentration Risk

Concentration in the context of Company's trading book is defined as undue build-up of investments in entities to an extent where a single failure may severely undermine the Company's profitability and financial position. Concentration Risk is assessed: -

- a) Individual Company / Group wise
- b) Industry wise
- c) Product wise

RBI mandates that the Company shall invest at least 50% financial assets in Government Securities at any point in time. Hence our exposure is mostly to sovereign and the Company consciously ignores this as a concentration risk.

The Concentration of Company's Exposure is disclosed under Note No 51S.

Exposure to individual companies is restricted to 15% of the net owned funds of the Company. Similarly, group exposure is limited to 25% of the net owned funds. These limits are monitored while sanctioning the fresh investments.

As on March 31, 2024, the highest exposure on an entity and Group was 14.76 percent (Cholamandalam Investment & Finance Co. Ltd.- ₹184.24 crore) and 24.84 percent (Power Finance Corporation - ₹310 crore), respectively of SBI DFHI's Net Owned Funds as at the end of previous financial year.

As on March 31, 2023, the highest exposure on an entity and Group was 14.34 percent (Small Industries Development Bank of India Ltd. - ₹188.10 crore) and 21.62 percent (Bajaj group - ₹283.50 crore), respectively of SBI DFHI's Net Owned Funds as at the end of previous financial year.



Settlement risk

Settlement risk is the risk of non-delivery of stock/security or non-payment of funds by counterparty.

Majority of deals done by the Company are in Govt Securities segment, which are traded on Negotiated Dealing System (NDS) platform. Clearing Corporation of India Limited (CCIL), as the central counterparty for all the trades reported on NDS, novates all the deals and guarantees deal settlement. For the purpose, CCIL maintains a separate Settlement Guarantee Fund. Similarly, exchange traded equity deals are also settled by the respective clearing houses of the BSE and NSE. Hence, there is negligible settlement risk in respect of trades done on NDS and equity trades done on NSE and BSE. However, the major settlement risks arise on account of the OTC deals:

- a) Call/Notice/ICD
- b) Primary Market Non-Gsec deals (other than trades dealt and settled on exchanges)

There are no established methodologies to quantify the settlement risks. In case there is a delay in settlement, the loss will be to the extent of opportunity cost (interest loss or market price movements in securities bought/sold). Extreme scenario would be where the entire settlement amount is failed/defaulted and resulted in a credit loss.

All OTC deals struck by dealers are immediately reported to Back Office for onward processing. The money market deals are confirmed with counterparty and follow-up is initiated immediately for receipt of money. Funds are received / sent through RTGS system. Non-receipt of money is intimated to Dealing Room well within the cut-off times for making necessary alternative arrangements.

In case of non-G-Sec deals DVP (Delivery versus Payment) is followed. All trades in corporate bonds are necessarily cleared and settled through the National Securities Clearing Corporation Limited (NSCCL) or the Indian Clearing Corporation Limited (ICCL) as per RBI instructions.

Note No 42 : Investments in equity instruments designated at fair value through other comprehensive income

The company has exercised an irrevocable option, at initial recognition (i.e. on transition date), to present subsequent changes in the fair value of investment in unquoted equity shares of Clearing Corporation of India Limited (CCIL) and SBI Foundation in other comprehensive income owing to following reasons:

- i. Investment in equity shares of CCIL and SBI Foundation are of strategic nature; and
- ii. the company does not hold these instruments for the purpose of trading

The company does not expect to gain from trading these instruments over short-period of time and accordingly, the company has decided to present the subsequent changes in fair value of these instruments in other comprehensive income.

Dividend income from these shares is recognised when the Company's right to receive payment has been established which is generally when shareholder approve the dividend, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements**

Fair value of these investments as on reporting dates is mentioned below:

(Fair Value ₹ in crore)

| Sr. No. | Security Description | March 31, 2024 | March 31, 2023 |
|---------|--|----------------|----------------|
| 1. | Unquoted Equity Shares of CCIL | 247.50 | 190.88 |
| 2. | Unquoted Equity Shares of SBI Foundation | 0.06 | 0.03 |
| | Total | 247.56 | 190.91 |

The company has not sold any of these investments during the current period or any previous period presented in the financial statements.

Note No 43 : Valuation

All financial instruments are initially recognised at cost and subsequently re-measured at fair value as described below:

| Category | Valuation Method |
|--|---|
| Government Securities State Government Securities STRIPS Oil Bonds Treasury Bills | As per FIMMDA Valuation Methodology |
| Corporate Bonds | As per FIMMDA Valuation Methodology for Corporate Bonds |
| Certificate of Deposits Commercial Papers | Fair Valuation |
| Quoted Equity Shares | Stock Exchange Prices |
| Unquoted Equity Shares | Observable Market Transaction, Book Value Method. |
| Units of Mutual Fund | Published NAV |

Note No 44 : Corporate Social Responsibility (CSR)

(₹ in crore)

| Sr No | Particular | FY 2023-24 | FY 2022-23 |
|-------|--|----------------------------------|----------------------------------|
| (a) | Amount required to be spent by the company during the year | 9.98 | 5.43 |
| (b) | Amount of expenditure incurred / Provided for | 7.08 | 1.00 |
| (c) | Shortfall / Unspent at the end of the year, | 2.91 | 4.43 |
| (d) | Total of previous years shortfall / Unspent | 1.35 | 0.93 |
| (e) | Reason for shortfall / unspent | Ongoing Projects (Refer note 38) | Ongoing Projects (Refer note 38) |

(i) Details of related party transactions - Paid ₹ 7.08 crore during FY 2023-22 (₹ 1.00 crore during FY 2022-23) to SBI Foundation.

(ii) Nature of CSR activities - Eradicating hunger, poverty, and malnutrition, Promoting Healthcare including Preventive Healthcare, Rural Development, Promoting Education and employment enhancing vocation skills especially among Children, Women, Elderly and the differently abled and Livelihood enhancement.



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements**

Note No 45 :The Company is a member of Primary Dealers Association of India (PDAI), a Company limited by guarantee holding a license under Section 25 of the Companies Act, 1956. As a member of the PDAI, the liability of the Company by way of guarantee is limited to Rupees One Thousand Only.

The Company is also a member of Fixed Income Money Market and Derivatives Association of India (FIMMDA), a Company limited by guarantee holding a license under Section 25 of the Companies Act, 1956. As a member of FIMMDA, the liability of the Company by way of guarantee is limited to Rupees One Thousand Only.

Note No 46 :The Company deals in Government Securities and Treasury Bills on behalf of its constituents through Constituent SGL account opened with RBI. The transactions undertaken cover monies received from the constituents and stocks tendered by them for conversion into SGL account. As on March 31, 2024 the Company holds the following investments on behalf of the constituents: -

(Book value ₹ in crore)

| | FY 2023-24 | FY 2022-23 |
|--|-------------|-------------|
| Dated Government Securities including strips | 3,32,005.16 | 3,23,631.14 |
| Treasury Bills. | 7,129.70 | 3,498.22 |

Note No 47 : Interest income and other income include income tax deducted at source thereon amounting to ₹ 14.78 crore (previous year ₹ 0.52 crore).



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No 48 :Repo/Reverse Repo Transactions

(₹ in crore)

| Particulars | Minimum outstanding during the year | Maximum outstanding during the Year | Daily average outstanding during the year | Outstanding as on March31,2024 |
|--|-------------------------------------|-------------------------------------|---|--------------------------------|
| Securities sold under repos | 2,070.90 | 4,607.43 | 2,421.08 | 3,303.69 |
| Securities purchased under reverse repo | 5.20 | 101.78 | 1.29 | 101.78 |
| Securities sold under Triparty repos | 2.00 | 10,827.24 | 5,914.51 | 10,406.95 |
| Securities purchased under Triparty reverse repo | 1.00 | 42.39 | 1.35 | - |

Note No 49 : Borrowings & Leverage

| Particulars | Average | Peak |
|----------------------------------|-----------|-----------|
| Net Call Borrowings (₹ in crore) | 18,300.83 | 20,586.58 |
| Leverage Ratio | 14.66 | 16.49 |

Note No 50 : Capital to Risk Weighted Asset Ratio (CRAR)

| Quarter ended | | | |
|---------------|--------|--------|--------|
| Jun-23 | Sep-23 | Dec-23 | Mar-24 |
| 32.27% | 39.56% | 34.30% | 36.04% |

Regulatory CRAR as on Mar 31, 2024 36.04% (Previous year: 46.17%)



Note No 51 :Details of the Non-Government Investment Portfolio*

(Fair value ₹ in crore)

| Sr. No. | Issuer | Amount | Extent of private placement | Extent of 'below Investment Grade' securities | Extent of 'unrated' securities | Extent of 'unlisted' securities |
|---------|-------------------------------------|-----------------|-----------------------------|---|--------------------------------|---------------------------------|
| 1 | PSUs | 537.78 | - | - | - | - |
| 2 | FIs | 492.04 | - | - | - | 37.71 |
| 3 | Banks | 560.04 | - | - | - | 410.71 |
| 4 | Other PDs | 0.00 | - | - | - | - |
| 5 | Private Corporate | 0.00 | - | - | - | - |
| 6 | Subsidiaries/Joint Ventures# | 50.00 | - | - | - | - |
| 7 | Others / NBFC | 2,036.56 | - | - | - | - |
| 8 | Provision held towards depreciation | (13.90) | - | - | - | 0.02 |
| | Total | 3,662.52 | - | - | - | 448.44 |

*Excluding Equity Shares and Mutual Fund Units.

Subsidiaries/Joint Ventures of holding company

Note No 52 :Disclosures pursuant to RBI Master Direction RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 Reserve Bank of India (Non-Banking Financial Company -Scale Based Regulation) Directions, 2023.

A. Details of Capital

(₹ in crore)

| Particulars | | FY 2023-24 | FY 2022-23 |
|-------------|---|------------|------------|
| i) | CRAR (%) | 36.04 | 46.17 |
| ii) | CRAR - Tier I Capital (%) | 36.04 | 46.17 |
| iii) | CRAR - Tier II Capital (%) | N.A. | N.A. |
| iv) | Amount of subordinated debt raised as Tier-II capital | - | - |
| v) | Amount raised by issue of Perpetual Debt Instruments | - | - |



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

B. Details of Investments

(Fair Value ₹ in crore)

| Particulars | | FY 2023-24 | FY 2022-23 (Restated) |
|-------------|---|------------|--------------------------|
| (1) | Value of Investments | | |
| | Gross Value of Investments | | |
| (i) | (a) In India | 21,427.24 | 16,789.44 |
| | (b) Outside India, | 0.00 | 0.00 |
| | Provisions for (Depreciation)/ Appreciation | | |
| (ii) | (a) In India | 179.83 | 43.28 |
| | (b) Outside India, | 0.00 | 0.00 |
| | Net Value of Investments | | |
| (iii) | (a) In India | 21,607.07 | 16,832.84 |
| | (b) Outside India. | 0.00 | 0.00 |
| (2) | Movement of provisions held towards (depreciation)/ Appreciation on investments. | | |
| | (i) Opening balance | 43.28 | 127.38 |
| (ii) | Add : Provisions for (Depreciation)/ Appreciation made during the year | 179.83 | (84.10) |
| (iii) | Less : Write-off / write-back of excess provisions during the year | 0.00 | 0.00 |
| (iv) | Closing balance | 223.11 | 43.28 |



C. Details of Forward Rate Agreement / Interest Rate Swap

(₹ in crore)

| Particulars | | FY 2023-24 | FY 2022-23 |
|-------------|--|------------|------------|
| (i) | The notional principal of swap agreements | NIL | NIL |
| (ii) | Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements | NIL | NIL |
| (iii) | Collateral required by the applicable NBFC upon entering into swaps | NIL | NIL |
| (iv) | Concentration of credit risk arising from the swaps \$ | NIL | NIL |
| (v) | The fair value of the swap book @ | NIL | NIL |

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the applicable NBFC would receive or pay to terminate the swap agreements as on the balance sheet date.

D. Details of Exchange Traded Interest Rate (IR) Derivatives

(₹ in crore)

| S. No. | Particulars | FY 2023-24 | FY 2022-23 |
|--------|--|------------|------------|
| (i) | Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise) | NIL | NIL |
| (ii) | Notional principal amount of exchange traded IR derivatives outstanding as on March 31 (instrument wise) | NIL | NIL |
| (iii) | Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise) | NIL | NIL |
| (iv) | Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise) | NIL | NIL |



E. Disclosures on Risk Exposure in Derivatives

a) **Qualitative Disclosure:**

Among Derivatives, the company deals in Interest Rate Futures (IRF) as per a separate Board approved policy. The Risk Management Structure/framework is elaborated in the company's Risk Management Policy. In terms of the policy for IRF, the trading of IRF contracts shall be subject to maintaining margins and the exchanges should ensure maintenance of such margins by the participants on the basis of guidelines issued by the Securities and Exchange Board of India (SEBI) from time to time. All open positions would be marked-to-market on a daily basis and adherence to various limits would be monitored. Adherence to prudential limits set by the Regulator shall be monitored daily.

b) **Quantitative Disclosures as on March 31, 2024:**

(₹ in crore)

| Sl.No. | Particular | Currency Derivatives | Interest Rate Derivatives |
|--------|---|----------------------|---------------------------|
| (i) | Derivatives (Notional Principal Amount) | | |
| | For hedging | NIL | NIL |
| (ii) | Marked to Market Positions [1] | | |
| | a) Asset (+) | NIL | NIL |
| | b) Liability (-) | NIL | NIL |
| (iii) | Credit Exposure [2] | NIL | NIL |
| (iv) | Unhedged Exposures | NIL | NIL |



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

F. Asset Liability Management Maturity pattern of certain items of Assets and Liabilities

(Fair value ₹ in crore)

| | 1day to 7 days | 8 days to 14 days | 15 days to 30/31 days | Over one month to 2 months | Over 2 months upto 3 months | Over 3 months upto 6 months | Over 6 months to 1 year | Over 1 year to 3 years | Over 3 years to 5 years | Over 5 years | Total |
|------------------------------|----------------|-------------------|-----------------------|----------------------------|-----------------------------|-----------------------------|-------------------------|------------------------|-------------------------|--------------|-----------|
| Liabilities | | | | | | | | | | | |
| Borrowings from banks | 5,808.71 | 400.30 | 496.00 | -- | -- | -- | -- | -- | -- | -- | 6,705.01 |
| Market Borrowings | 13,731.63 | -- | -- | -- | -- | -- | -- | -- | -- | -- | 13,731.63 |
| Foreign Currency liabilities | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Assets | | | | | | | | | | | |
| Advances | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| Investments | 17,697.00 | 49.87 | 134.66 | 148.53 | 203.22 | 298.21 | 521.87 | 2,080.98 | 200.38 | 272.35 | 21,607.07 |
| Cash and Bank balance | | | | | | | | | | | |
| Cash in Hand | 0.00 | -- | -- | -- | -- | -- | -- | -- | -- | -- | 0.00 |
| - In Current Account | 08.43 | -- | -- | -- | -- | -- | 1.37 | -- | -- | -- | 9.80 |
| - In Deposit Account | -- | -- | -- | -- | -- | 0.13 | -- | -- | -- | -- | 0.13 |
| -Foreign Currency Assets | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |

(Amounts stated above do not include interest outstanding on the same)



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements**

G. Disclosures relating to Securitisation, financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction, assignment transactions undertaken by NBFC and non-performing financial assets purchased / sold.

The company does not undertake securitisation business and therefore has not sold any assets to securitisation / Reconstruction Company for asset reconstruction. The company has not undertaken any assignment transactions. The company does not have any non-performing assets and has not purchased /sold any non-performing financial assets.

H. Exposure to Real Estate Sector

(Book value ₹ in core)

| Category | | FY 2023-24 | FY 2022-23 |
|---|--|---------------|---------------|
| a) | Direct exposure | | |
| | (i) Residential Mortgages | | |
| | Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits. | NIL | NIL |
| | (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 (NFB) limits; | NIL | NIL |
| | iii) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures - | | |
| | a. Residential, | NIL | NIL |
| | b. Commercial Real Estate | NIL | NIL |
| b) | Indirect Exposure | | |
| | Fund based and non-fund-based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs) | 724.63 | 637.88 |
| Total Exposure to Real Estate Sector | | 734.63 | 637.88 |



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

I. Exposure to Capital Market

(Book Value ₹ in crore)

| Particulars | | FY 2023-24 | FY 2022-24 |
|---|---|-------------|-------------|
| (i) | 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. | *2.25 | *2.25 |
| (ii) | 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 | NIL | NIL |
| (iii) | 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 | NIL | NIL |
| (iv) | 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 does not fully cover the advances | NIL | NIL |
| (v) | Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers | NIL | NIL |
| (vi) | 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 | NIL | NIL |
| (vii) | Bridge loans to companies against expected equity flows / issues | NIL | NIL |
| (viii) | Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds | NIL | NIL |
| (ix) | Financing to stockbrokers for margin trading | NIL | NIL |
| (x) | All exposures to Alternative Investment Funds: Category I Category II Category III | NIL | NIL |
| Total Exposure to Capital Market | | 2.25 | 2.25 |

*The fair value of the investment as on March 31, 2024 is ₹247.56 crore (Previous year ₹190.88 crore).



J. Intra-Group Exposures:

(Book Value ₹ in crore)

| Particulars | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Total amount of intra-group exposures | 50.00 | 59.93 |
| Total amount of top-20 intra-group exposures | 50.00 | 59.93 |
| Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers | 1.36% | 1.80% |

K. The company does not finance products of parent company.

L. The company has NIL foreign currency exposure and Unhedged foreign currency exposure as on March 31, 2024 and March 31, 2023.

M. The company has not exceeded the Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the year

N. The Company has not given any advance for which intangible securities are taken as collateral.

O. Breach of Covenant

The company has no instances of breach of covenant of loan availed or debt securities issued.

P. Registration obtained from other financial sector regulators

The company has obtained trading membership from the Securities and Exchange Board of India (SEBI) u/s 12(1) of the Securities and Exchange Board of India Act, 1992 for trading in Interest Rate Futures on trading platforms provided by Bombay Stock Exchange and National Stock Exchange.

The Company has obtained Legal Entity Identifier Registration Number from Legal Entity Identifier.

The Company is registered with the Financial Intelligence Unit - India (FIU-IND).

The Company has obtained registration from the CERSAI for CKYC purposes.

Q. No penalties imposed by the Reserve Bank of India or any other regulators.

R. Ratings assigned by credit rating agencies

The Company has been rated as "[ICRA]AAA" by credit rating agency ICRA Ltd on 26/03/2024. Further, the Company's Commercial Paper program has been rated as [ICRA]A1+ ₹95000 Lakhs) by ICRA. Previously too, it had the same rating.



S. Provisions and Contingencies

(₹ in crore)

| Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account | FY 2023-24 | FY 2022-23 |
|--|------------|------------|
| Provisions for depreciation on Investment | - | - |
| Provision towards NPA | - | - |
| Provision made towards Income tax | 43.01 | 31.59 |
| Other Provision and Contingencies (with details):- | | |
| i. Provision for Gratuity | 0.13 | (0.14) |
| ii. Provision for Leave encashment | 0.17 | (0.51) |
| iii. Provision for expenses | 4.27 | 6.61 |
| Provision for Standard Assets | - | - |

T. Concentration of Deposits, Advances, Exposures and NPA/NPIs

The Company does not accept any deposits and also does not give any advances.

Concentration of Exposures

(Book Value ₹ in crore)

| Particulars | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Total Exposure to twenty largest borrowers / customers | 2,961.05 | 2,461.16 |
| Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the applicable NBFC on borrowers / customers | 80.54% | 73.94% |

Concentration of NPA/NPIs

(Book Value ₹ in crore)

| Particulars | FY 2023-24 | FY 2022-23 |
|---|------------|------------|
| Total Exposure to top four NPA accounts | - | - |



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Sector -wise NPA / NPIs

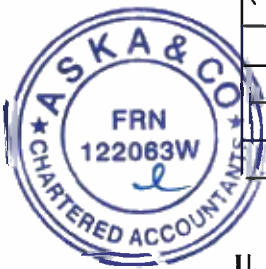
(Book Value ₹ in crore)

| Sl No | Sector | FY 2023-24 | | | FY 2022-23 | | |
|-------|-----------------------------------|---|----------------------|---|---|----------------------|---|
| | | Total Exposure (includes on balance sheet and off balance sheet exposure) | Gross NPAs (₹ crore) | Percentage of Gross NPAs to total exposure in that sector | Total Exposure (includes on balance sheet and off balance sheet exposure) | Gross NPAs (₹ crore) | Percentage of Gross NPAs to total exposure in that sector |
| 1 | Agriculture and allied activities | - | - | - | - | - | - |
| 2 | MSME | - | - | - | - | - | - |
| 3 | Corporate borrowers | - | - | - | - | - | - |
| 4 | Services | - | - | - | - | - | - |
| 5 | Unsecured personal loans | - | - | - | - | - | - |
| 6 | Auto Loans | - | - | - | - | - | - |
| 7 | Other personal loans | - | - | - | - | - | - |

Movement of NPA / NPIs

(Book Value ₹ in crore)

| Particulars | | FY 2023-24 | FY 2022-23 |
|-------------|--|------------|------------|
| (i) | Net NPA / NPIs to net advances (%) | - | - |
| (ii) | Movement of NPA / NPIs (Gross) | | |
| | (a) Opening balance | - | - |
| | (b) Additions during the year | - | - |
| | (c) Reductions during the year | - | - |
| | (d) Closing balance | - | - |
| (iii) | Movement of Net NPA / NPIs | | |
| | (a) Opening balance | - | - |
| | (b) Additions during the year | - | - |
| | (c) Reductions during the year | - | - |
| | (d) Closing balance | - | - |
| (iii) | Movement of provision of NPA / NPIs (excluding provisions on standard asset) | | |
| | (a) Opening balance | - | - |
| | (b) Provisions made during the year | - | - |
| | (c) Write-off / write-back of excess provision | - | - |
| | (d) Closing balance | - | - |



U. The Company does not hold any overseas assets with Joint Ventures and/or Subsidiaries abroad.



SBI DFHI LIMITED**Notes Forming Parts of Financial Statements**

- V. No divergence in asset classification and provisioning is assessed by the Reserve Bank, hence discloser for divergence in asset classification and provisioning.

W. Disclosure of complaints

| Sr. No | Particulars | Current Year | Previous Year |
|---|---|--------------|---------------|
| Complaints received by the NBFC from its customers | | | |
| 1. | Number of complaints pending at beginning of the year | - | - |
| 2. | Number of complaints received during the year | - | - |
| 3. | Number of complaints disposed during the year | - | - |
| 3.1 | Of which, number of complaints rejected by the NBFC | - | - |
| 4. | Number of complaints pending at the end of the year | - | - |
| Maintainable complaints received by the NBFC from Office of Ombudsman | | | |
| 5.* | Number of maintainable complaints received by the NBFC from Office of Ombudsman | | |
| 5.1. | Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman | - | - |
| 5.2 | Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman | - | - |
| 5.3 | Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC | - | - |
| 6.* | Number of Awards unimplemented within the stipulated time (other than those appealed) | - | - |

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

* It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

1) Top five grounds² of complaints received by the NBFCs from customers

| Grounds of complaints, (i.e. complaints relating to) | Number of complaints pending at the beginning of the year | Number of complaints received during the year | % increase/ decrease in the number of complaints received over the previous year | Number of complaints pending at the end of the year | Of 5, number of complaints pending beyond 30 days |
|--|---|---|--|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 |
| Current Year | | | | | |
| Ground - 1 | - | - | - | - | - |
| Ground - 2 | - | - | - | - | - |
| Ground - 3 | - | - | - | - | - |
| Ground - 4 | - | - | - | - | - |
| Ground - 5 | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | - | - | - | - | - |
| Previous Year | | | | | |
| Ground - 1 | - | - | - | - | - |
| Ground - 2 | - | - | - | - | - |
| Ground - 3 | - | - | - | - | - |
| Ground - 4 | - | - | - | - | - |
| Ground - 5 | - | - | - | - | - |
| Others | - | - | - | - | - |
| Total | - | - | - | - | - |



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No 53 : Disclosure pursuant to RBI circular DOR(NBFC). CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020

According to the RBI circular, a comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 should be disclosed. However, the financial assets of the company do not require either any provisioning under IRACP or impairment allowance under Ind AS 109.

Disclosure for comparison between Provision (IRACP vs IND AS) (Fair Value in crore)

| 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) |
| I) Performing Assets | | | | | | |
| Standard | Stage 1 | 21,607.07 | - | 21,607.07 | - | - |
| | Stage 2 | - | - | - | - | - |
| Subtotal | | | | | | |
| II) 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 | Stage 1 | - | - | - | - | - |
| | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| Subtotal | | | | | | |
| Total | Stage 1 | 21,607.07 | - | 21,607.07 | - | - |
| Total | Stage 2 | - | - | - | - | - |
| | Stage 3 | - | - | - | - | - |
| | Total | 21,607.07 | - | 21,607.07 | - | - |

Note No 54 : There are no micro, small and medium enterprises, to which the company owes dues, as at March 31, 2024. Hence there would not be any interest payable under Section 22 of the MSME Development Act, 2006 and therefore no disclosures are called for.



SBI DFHI LIMITED
Notes Forming Parts of Financial Statements

Note No 55 : Other Expenses includes ₹ NIL (Previous Year ₹ NIL) incurred in foreign currency.

Note No 56 : Figures for the previous year have been regrouped and rearranged, wherever necessary to make them comparable with figures of the current year.

Note No 57 : Key Ratios

| | FY 2023-24 | FY 2022-23 |
|--|-------------------|-------------------|
| Capital to risk weighted assets ratio (CRAR) | 36.04% | 46.17% |
| Tier I CRAR | 36.04% | 46.17% |
| Tier II CRAR | NA | NA |
| Liquidity coverage ratio | NA | NA |

Note No 58 : ₹ 0.00 crore represented in financial statement pertains to amount less than 50,000.

Note No 59 : Recent accounting pronouncements: -

On March 31, 2023, the Ministry of Corporate Affairs ("MCA") through a notification, amended Companies (Indian Accounting Standards (Ind AS)) Rules 2015. These amendments will be applicable from annual reporting period beginning on or after April 01, 2023. These amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



SBI DFHI LIMITED

Notes Forming Parts of Financial Statements

Note No 60: As required in terms of paragraph 13 of Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions,2007

(₹ in crore)

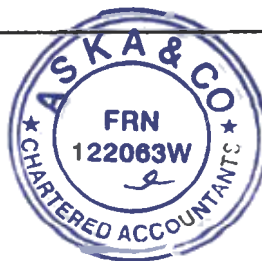
| LIABILITIES SIDE | | | |
|-------------------------|--|---------------------------|-----------------------|
| | Particulars | Amount outstanding | Amount overdue |
| 1 | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | | |
| | (a) Debentures | | |
| | - Secured | - | - |
| | - Unsecured (other than falling within the meaning of public deposits) | - | - |
| | (b) Deferred Credits | - | - |
| | (c) Term Loans | - | - |
| | (d) Inter-corporate loans and borrowing | 21.00 | - |
| | (e) Commercial Paper | - | - |
| | (f) Public Deposits | - | - |
| | (g) Other Loans | | |
| | - Call and Short Notice Borrowings from banks/ financial institutions | 18,518.09 | - |
| | - borrowing from RBI under LAF, LSS, SLF, TREPS Borrowing & Other Borrowing | 1,897.56 | - |
| | - Accrued Interest on above (including accrued interest on (d) above) | 21.51 | - |
| 2 | Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid) : | | |
| | (a) In the form of Unsecured debentures | - | - |
| | (b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | - | - |
| | (c) Other public deposits | - | - |



SBI DFHI LIMITED

Notes Forming Parts of Financial Statements

| ASSETS SIDE | | | |
|-------------|---|--------------------|--|
| | Particulars | Amount outstanding | |
| 3 | Break-up of Loans and Advances including bills receivables (other than those included in (4) below: (a) Secured (b) Unsecured | | - 1,173.91 |
| 4 | Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities (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) Hypothecation loans counting towards EL/HP activities (a) Loans where assets have been repossessed (b) Loans other than (a) above | | N.A. N.A. N.A. |
| 5 | Break-up of Investments: Current Investments: 1 Quoted: (i) Shares: (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (CD & CP & DDB) 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 (b) Preference (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others - Fixed Deposit (Net of Provision) | | - - 2,091.56 - 17,683.10 1,584.85 - - - - - - - - - - - 247.56 - - - - - |



SBI DFHI LIMITED

Notes Forming Parts of Financial Statements

| | | | | |
|---|---|--|--------------------------------|-----------------|
| 6 | Borrower group-wise classification of assets financed as in (3) and (4) above : | | | |
| | Category | Amount net of provisions | | |
| | | Secured | Unsecured | Total |
| | 1 Related Parties | | | |
| | (a) Subsidiaries | - | - | - |
| | (b) Companies in the same group | - | 0.23 | 0.23 |
| | (c) Other related parties | - | 22.87 | 22.87 |
| | 2 Other than related parties | - | 1,150.81 | 1150.81 |
| | Total | - | 1,173.91 | 1,173.91 |
| 7 | 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) | |
| | | (₹ in crore) | (₹ in crore) | |
| | 1 Related Parties | | | |
| | (a) Subsidiaries | - | - | |
| | (b) Companies in the same group | 49.51 | 50.00 | |
| | (c) Other related parties | 247.50 | 2.25 | |
| | 2 Other than related parties | 21,310.06 | 16,737.19 | |
| | Total | 21,607.07 | 16,789.44 | |
| 8 | Other information | | | |
| | Particulars | Amount (₹ in crore) | | |
| | (i) Gross Non-Performing Assets/ Investment | | | |
| | (a) Related parties | - | | |
| | (b) Other than related parties | - | | |
| | (ii) Net Non-Performing Assets / Investment | | | |
| | (a) Related parties | - | | |
| | (b) Other than related parties | - | | |
| | (iii) Assets acquired in satisfaction of debt | - | | |

