

July 14, 2023

The BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

The National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex.
Bandra (E), Mumbai - 400 051

SCRIP CODE: **543066**

SYMBOL: **SBICARD**

SECURITY: **Equity Shares/Debentures**

SECURITY: **Equity Shares**

Re: Submission pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Notice of the 25th Annual General Meeting and the Annual Report for the FY 2022-23

Dear Sirs,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the company for the Financial Year 2022-23 along with the Notice of the 25th Annual General Meeting scheduled to be held on Wednesday, August 9, 2023 at 11:30 A.M. (IST) through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

The said Annual Report and the Notice of AGM is also being made available on the Company's website i.e. www.sbicard.com

You are requested to take the same on record.

Thanking you,

Yours faithfully,

For SBI Cards and Payment Services Limited

Payal Mittal Chhabra
Company Secretary & Compliance Officer

Encl.:aa

SBI Cards and Payment Services Ltd.

DLF Infinity Towers, Tower C,
12th Floor, Block 2, Building 3,
DLF Cyber City, Gurugram - 122002,
Haryana, India

Tel.: 0124-4589803
Email: customercare@sbicard.com
Website: sbicard.com

Registered Office:
Unit 401 & 402, 4th Floor, Aggarwal Millennium Tower,
E 1,2,3, Netaji Subhash Place, Wazirpur, New Delhi - 110034
CIN - L65999DL1998PLC093849



SBI CARDS AND PAYMENT SERVICES LIMITED

CIN: L65999DL1998PLC093849, **Website:** www.sbicard.com

Email ID: investor.relations@sbicard.com

Registered Office: Unit 401 & 402, 4th Floor, Aggarwal Millennium Tower E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi 110 034, India; Phone: +91 (11) 6126 8100

Corporate Office: 2nd Floor, Tower-B, Infinity Towers, DLF Cyber City, Block 2 Building 3, DLF Phase 2, Gurugram, Haryana 122 002, India; Phone: +91 (124) 458 9803

NOTICE

Notice is hereby given that the 25th Annual General Meeting ('AGM') of the Members of **SBI CARDS AND PAYMENT SERVICES LIMITED** ('SBICPSL' or 'the Company') will be held on Wednesday, August 9, 2023 at 11:30 A.M (IST) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM'), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India in this regard, to transact the following business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements

To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023, together with the report of the Board of Directors and Auditors thereon along with the comments of the Comptroller and Auditor General of India (CAG).

2. Fixing of Auditors Remuneration

To authorize the Board of Directors to fix the remuneration/ fees of the Statutory Auditors (Single or Joint Auditors) of the Company, as may be appointed by the Comptroller and Auditor General of India (CAG), for the financial year 2023-24.

3. Confirmation of payment of the Interim Dividend for FY 2022-23

To confirm the payment of Interim Dividend of ₹ 2.50 (i.e. 25%) per equity share of ₹ 10 each, for the Financial Year ended March 31, 2023, as declared by the Board of Directors.

SPECIAL BUSINESS:

4. Re-appointment of Mr. Shrinivas Yeshwant Joshi (DIN: 05189697) as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution(s) as **Special Resolution(s)**:

"RESOLVED THAT pursuant to Section 149 and 152, read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with the

rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law as may be applicable and as approved and recommended by the Nomination and Remuneration Committee and the Board, Mr. Shrinivas Yeshwant Joshi holding DIN: 05189697, who was appointed as an Independent Director of the Company w.e.f. December 4, 2020 at the 23rd Annual General Meeting held on August 26, 2021, for a term of three years and who holds office of the Independent Director upto December 3, 2023 and who has submitted a declaration that he meets the criteria of independence as provided in the Act and the Listing regulations, and is eligible for re-appointment as an Independent Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of three years with effect from December 4, 2023 to December 3, 2026, on such terms and conditions and remuneration as the Board of Directors may deem fit.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution."

5. To consider and approve the Material Related Party Transactions with State Bank of India

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution(s)**:

"RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations"), and any other applicable laws/ statutory provisions, if any, (including any statutory modification(s), amendment(s), variation(s) or re-enactment(s) thereof for the time being in force) and the Related Party Transactions Policy of the Company, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time

and basis the approval and recommendation of the Audit Committee of the Company, the Members of the Company do hereby accord approval to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) from the date of this 25th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months with State Bank of India (“SBI”), being a related party of the Company in terms of section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, whether by way of renewal(s) or extension(s) or modification(s) (i.e not falling under the purview of the material modification defined by the Audit Committee) of earlier contract/arrangements/ transactions or otherwise, with respect to (i) Banking services/ loan transactions/credit facility including all forms of borrowings/Fixed Deposits/Investments/ Debentures; (ii) Finance Charges/Bank Charges/Fee & Commission; (iii) Advertisement/Marketing/Sourcing of Cards/Sales Promotion/ Collection; (iv) Payment of Royalty at the rate of 0.20% of Total Income or 2% of Profit after Tax, whichever is higher; (v) Corporate Card facility/Loans and Advances; (vi) Contribution to other funds; (vii) Cost allocation/Infrastructure sharing/Rentals/Leases and other arrangements/transactions including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period; notwithstanding the fact that all such aforementioned transactions from the date of this 25th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Company’s last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided, that the contracts/ arrangements/ transactions shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Members of the Company do hereby accord approval to the Board to sign and execute all such documents, agreements and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/ or Director(s) and/or Officer(s) of the Company, to give effect to this resolution.”

6. To consider and approve the Material Related Party Transactions with SBI Capital Markets Limited

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution(s)**:

“RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, (hereinafter referred to as “Listing Regulations”) and any other applicable laws/ statutory provisions, if any, (including any statutory modification(s), amendment(s), variation(s) or reenactment(s) thereof for the time being in force) and the Related Party Transactions Policy of the Company, and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee of the Company, the Members of the Company do hereby accord approval to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions (whether individual transaction or transactions taken together or series of transactions or otherwise) from the date of this 25th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months with SBI Capital Markets Limited (“SBI CAP”), being a related party of the Company in terms of section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, whether by way of renewal(s) or extension(s) or modification(s) (i.e not falling under the purview of the material modification defined by the Audit Committee) of earlier contract/ arrangements/ transactions or otherwise, with respect to Capital/debt market services, Corporate Credit Card facility/Loans and Advances, Borrowings, Investments, Debentures and other transactions as may be disclosed in the notes forming part of the financial statements for the relevant period, notwithstanding the fact that all such aforementioned transactions from the date of this 25th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months, may exceed ₹ 1,000 crore or 10% of the annual consolidated turnover as per the Company’s last audited financial statements, whichever is lower, or any other materiality threshold as may be applicable under law/ regulations from time to time, provided, that the contracts/arrangements/transactions shall be carried out at an arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Members of the Company do hereby accord approval to the Board to sign and execute all such documents, agreements and writings and to do all such acts, deeds, matters and things as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to any Committee of Directors and/ or director(s) and/or officer(s) of the Company, to give effect to this resolution."

7. To consider and approve Alteration in the Articles of Association of the Company

To consider and if thought fit, to pass with or without modification(s), the following Resolution(s) as **Special Resolution(s)**:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), and any other law as may be applicable, consent of the members of the Company be and is hereby accorded for the insertion of the following clause 33(ii)(e) in the Articles of Association of the Company:

- (e) Notwithstanding anything contained in these Articles, on occurrence of the events mentioned below, the Debenture Trustee(s) shall have a right but not an obligation, to nominate 1 (one) person as their nominee on the Board of the Company, in accordance with the applicable laws and subject to the agreement in that regard between Debenture Trustee(s) and the Company:
- i. two consecutive defaults in payment of interest to the debenture holders; or
 - ii. default in creation of security for debentures; or
 - iii. default in redemption of the debentures; or
 - iv. any other event as may be prescribed by Securities and Exchange Board of India.

The Board shall appoint such persons as directors of the Company as nominated by the Debenture Trustee(s), as nominee directors in accordance with the provisions of these articles.

The Nominee Director appointed under this clause shall not be liable to retire by rotation.

Debenture Trustee(s) as mentioned above may remove Nominee Director so appointed at any time and in case of cessation of office of such Nominee Director, by reasons of death or resignation or any other reasons whatsoever, nominate any other person to fill up the vacancy. Such nomination for appointment or withdrawal of nomination shall be made in writing to the Company.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution."

8. To consider and approve matter of authorization to borrow money in excess of paid up capital and free reserves

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

"RESOLVED THAT in supersession of earlier resolution(s) passed by the Members of the Company in this regard and pursuant to the Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law as may be applicable, the consent of the shareholders be and is hereby accorded for authorizing the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution) to borrow such sums of money and in such form (including but not limiting to loan, debentures, commercial papers, etc.) as may be considered fit for the purpose of the business of the Company at its absolute discretion notwithstanding that the monies to be so borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital, free reserves and share premium account of the Company, provided that such total borrowings outstanding at any time shall not exceed ₹ 45,000 crores.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby severally authorized, for and on behalf of the Company to do all such acts, deeds, matters and things as may be considered necessary, proper or desirable to give effect to the resolutions referred above and to settle any question, difficulty or doubt that may arise in this regard."

9. To consider and approve matter of authorization to the Board to mortgage /create charge on the assets of the Company for its borrowings

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution(s)**:

"RESOLVED THAT in supersession of earlier resolution(s) passed by the Members of the Company in this regard and pursuant to the provisions of Section 180(1)(a) and

other applicable provisions of the Companies Act, 2013 (“the Act”), if any, read with the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) and any other law as may be applicable, the consent of the shareholders be and is hereby accorded to authorize Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee(s) constituted/to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution) to mortgage and/or create charge and/or provide by way of security in any form, the movable and/or immovable properties/assets of the Company, both present and future, or whole or substantially the whole of the undertaking(s) of the Company in such form, manner and time as the Board of Directors may deem fit, for securing any loans and/or advances and/or debentures and/or money borrowed or may be borrowed in any form by the Company from any lender including Financial Institutions, Banks and/or any other person or persons together with interest, costs, charges, expenses, premium on redemption (if any) and all other monies payable by the Company to the trustees/lenders, up to a value of ₹ 45,000 Crore.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion consider necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard.”

10. Appointment of Shri Abhijit Chakravorty (DIN: 09494533) as Managing Director and Chief Executive Officer of the Company

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 35A and other applicable provisions of the SBI Act, Articles of Association of the Company, Nomination and Remuneration Policy of the Company, Compensation Policy of the Company, SBI Rules as applicable and based on the recommendation of Nomination and Remuneration Committee, Letter received from State Bank of India dated July 4, 2023, subject to necessary approval(s) as may be required, the consent of the members of Company be and is hereby accorded for the appointment of Shri Abhijit Chakravorty (DIN: 09494533) as the Managing Director and Chief Executive Officer of the Company for a period of two

years commencing from August 12, 2023 (Saturday), at a remuneration not exceeding the limits stated under section 197 and other applicable provisions of the Companies Act and on the terms and conditions as set out in the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby severally authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient to give effect to this resolution.”

**By Order of the Board of Directors
For SBI Cards and Payment Services Limited**

Payal Mittal Chhabra
Company Secretary and
Compliance Officer

Date: July 10, 2023
Place: Gurugram

NOTES:

1. The Ministry of Corporate Affairs, Government of India (the “MCA”) vide its General Circular No. 11/2022 dated December 28, 2022 read together with General Circular No. 2/2022 dated May 5, 2022, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 19/2021 dated December 08, 2021, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 14/2020 dated April 8, 2020 and other circulars issued in this regard (collectively referred to as “MCA Circulars”), and the Securities and Exchange Board of India (“SEBI”) vide its Circular No.: SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and other circulars issued in this regard, permitted the holding of the Annual General Meeting (AGM) through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the registered office of the Company.
2. Further, pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and the MCA and SEBI Circulars, the Company is holding its Annual General Meeting (AGM) through Video Conferencing (‘VC’)/Other Audio-Visual Means (‘OAVM’), without the physical presence of the Members at a common venue. For the said purpose the Company has engaged the services of National Securities Depository Limited (NSDL) for conducting AGM through VC/OAVM. Further, NSDL has also been engaged for facilitating

e-voting to enable the members to cast their votes electronically using remote e-voting system as well as e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained in the notes below.

3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act") setting out material facts relating to the special business(es) to be transacted at the AGM is annexed hereto.
4. Brief profile and other additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India, in respect of the Director seeking appointment/re-appointment at the AGM, is also annexed to the Notice.
5. The relevant documents referred to in the accompanying Notice and the Statement pursuant to Section 102 of the Act, shall be available for inspection by the members at the Registered Office and the copies thereof at the Corporate Office of the Company during normal business hours (between 11.00 A.M. to 01.00 P.M.) on all working days, from the date of circulation of this Notice upto the date of the AGM. The relevant documents will also be made available on the website of the Company during the abovementioned period. Members seeking to inspect such documents can also send an email to investor.relations@sbicard.com.

The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 ("Act"), the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act and the Certificate from the Secretarial Auditors of the Company pursuant to Regulation 13 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available electronically for inspection by the members during the AGM.

Further, members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by August 2, 2023 through email on investor.relations@sbicard.com. Such questions shall be taken up during the meeting or replied by the Company suitably.

6. Pursuant to the Section 105 of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote at the meeting on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI circulars through VC/OAVM, the requirement of physical attendance of members has been dispensed with. Accordingly, the facility for appointment

of proxies by the Members will not be available for this AGM and hence the Proxy Form is not annexed hereto. Since, the AGM will be held through VC, the route map, and attendance slip are also not annexed to this Notice.

7. Pursuant to the abovementioned Circulars, the Company will send the Annual Report for the financial year 2022-23 and AGM notice in electronic form only. The Notice of AGM and Annual Report for the financial year 2022-23 are also placed on the website of the Company i.e. www.sbicard.com and the website of National Securities Depository Limited i.e. www.evoting.nsdl.com and at the relevant sections of the websites of the stock exchanges on which the shares of the Company are listed i.e. BSE Ltd. (www.bseindia.com) and National Stock Exchange of India Ltd. (www.nseindia.com).
8. The Notice is being sent only through electronic mode to all the Members/Beneficiaries, whose names appear on the Register of Members/ Record of Depositories as on Friday, July 7, 2023 and who have registered their email addresses with the Company/RTA or Depository/ Depository Participant, in accordance with the provisions of the Companies Act, 2013, read with Rules made thereunder and the MCA and SEBI Circulars.
9. The remote e-voting period begins on Sunday, August 6 2023 at 10.00 A.M. (IST) and ends on Tuesday, August 8, 2023 at 5.00 P.M.(IST). During this period, members of the Company holding equity shares either in physical form or in dematerialised form, as on the cut-off date i.e., Wednesday, August 2, 2023, may cast their vote electronically. The remote e-voting will not be allowed beyond the aforesaid date and time as the same shall be disabled by NSDL for voting thereafter.

The facility for electronic voting system, shall also be made available at the AGM. The Members attending the AGM, who have not cast their votes through remote e-voting and are otherwise not barred from doing so, shall be able to exercise their voting rights at the AGM. The Members who have already cast their votes through remote e-voting may attend the meeting but shall not be entitled to cast their votes again at the AGM.

Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. There will be one e-vote for every Folio/ Client ID irrespective of the number of joint holders. Voting Rights shall be reckoned on the paid-up value of shares registered in the name of the Member(s) as on cutoff date and any person who is not a member as on that date should treat this Notice for information purposes only.

10. Members may join the AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 11.00 a.m. (IST) i.e. 30 minutes before the time scheduled to start the AGM and the Company may close the window for joining

the VC/OAVM facility, 15 minutes after the scheduled time to start the AGM. The facility of participation at the General Meeting through VC/OAVM will be made available for at least 1000 members on first come first served basis. However, the said restriction on account of first come first served principle shall not be applicable on large shareholders (shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship and Customer Experience Committee, Auditors, etc.

11. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
12. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID/ Folio no, No. of shares, PAN, mobile number at investor.relations@sbicard.com on or before August 2, 2023. Only those Members who have registered themselves as a speaker will be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
13. The Board of Directors have appointed Mr. Vineet K Chaudhary (Certificate of Practice no. 4548) Managing Partner of M/s VKC & Associates, Company Secretaries, or failing him Mr. Mohit K. Dixit (Certificate of Practice no. 17827), Partner of M/s VKC & Associates, Company Secretaries as the Scrutiniser to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner. The Scrutiniser have communicated their willingness to be appointed for the said purpose.
14. The Scrutiniser will, after the conclusion of e-voting at the Meeting, scrutinise the votes cast at the Meeting and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him, who shall countersign the same and declare results (consolidated) within two working days from the conclusion of the meeting and the same, along with the consolidated Scrutiniser's Report, will be placed on the website of the Company (www.sbicard.com) and the website of NSDL (www.evoting.nsdl.com) immediately after the declaration of result by the Chairman and in his absence, any Director/Officer of the Company authorised by the Chairman and the same will also be communicated to BSE Limited and the National Stock Exchange of India Limited. It shall also be displayed on the Notice Board at the Registered Office and the Corporate office of the Company.
15. Members wishing to claim unclaimed dividends and unclaimed shares are requested to correspond with the Registrar and Share Transfer Agent (RTA) of the Company i.e. Link Intime India Pvt. Ltd. or the Company Secretary of the Company.
16. Members are requested to note that dividends, which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will as per the provisions of Section 124 of the Companies Act, 2013 and rules made thereunder, be transferred to the Investor Education and Protection Fund. Further, pursuant to the provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (the IEPF Rules), all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the demat account of the Investor Education and Protection Fund Authority (IEPF Authority).
17. With a view to using natural resources responsibly, we request shareholders to update their contact details including e-mail address, mandates, nominations, power of attorney, Bank details covering name of the Bank and branch details, Bank account number, MICR code, IFSC code, etc. with their depository participants and with RTA if shares are held in physical form to enable the Company to send all the communications electronically including Annual Report, Notices, Circulars, etc.
18. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA.
19. Members are requested to notify the change in address if any, with Pin Code numbers immediately to the RTA i.e. Link Intime India Pvt. Ltd., C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Tel No: +91 (22)- 49186000, Fax: +91 (22) 49186060, Website: www.linkintime.co.in
20. Non-Resident Indian Members are requested to inform RTA of the Company any change in their residential status on return to India for permanent settlement, particulars of their Bank account maintained in India with complete name, branch, account type, account number and address of Bank with pin code number, if not furnished earlier. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

21. SEBI vide its circular dated January 25, 2022, has mandated that the listed companies shall henceforth issue the securities in dematerialised form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition, etc. Accordingly, members who still hold shares in physical form are advised to dematerialise their holdings.
22. Pursuant to SEBI circular dated March 16, 2023, November 3, 2021 and clarification circular dated December 14, 2021, members holding shares in physical form are advised to update their PAN, KYC details and nomination etc. in prescribed forms. The forms can be downloaded from the website of the Company at www.sbicard.com. Further, in respect of shares held in electronic/demat form, the members may please contact their respective Depository Participant. The folios wherein any one of the KYC details is not available on or after October 01, 2023, shall be frozen by the RTA.
23. SEBI vide its circular dated May 30, 2022 has prescribed Standard Operating Procedures for dispute resolution under the Stock Exchange arbitration mechanism for a dispute between a Listed Company and/or RTA and its Shareholders(s) / investor(s). The said circular is available on the website of the Company at www.sbicard.com.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING THE ANNUAL GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on **Sunday, August 6 2023 at 10.00 A.M. (IST)** and ends on **Tuesday, August 8, 2023 at 5.00 P.M.(IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. **Wednesday, August 2, 2023**, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, August 2, 2023.

The instructions for Members for remote E-voting are as given below: -

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:



Step 1: Access to NSDL e-Voting system

(A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile phone. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p>NSDL Mobile App is available on</p> <p> App Store Google Play</p> <div style="display: flex; justify-content: space-around;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and New System Myeasi Tab and then use your existing my easi username and password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

(B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders/ Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

iv. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

v. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your e-mail ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

vi. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

vii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

viii. Now, you will have to click on "Login" button.

x. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

A. How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

i. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

ii. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and for casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join Meeting".

iii. Now you are ready for e-Voting as the Voting page opens.

iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

v. Upon confirmation, the message "Vote cast successfully" will be displayed.

vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

B. Other information:

- i. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
- ii. However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using 'Forgot User Details/Password' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com or contact NSDL or call on : 022 - 4886 7000 and 022 - 2499 7000. Individual demat account holders will follow the process mention in Access to NSDL system.

General Guidelines for shareholders

- i. Institutional/Corporate shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote/attend the AGM, to the Scrutinizer by email to vk.pcs@gmail.com with a copy marked to evoting@nsdl.co.in.

Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

- ii. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- iii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the email id – evoting@nsdl.co.in. who will also address the grievances connected with the voting by electronic means.

Process for those shareholders whose e-mail id's are not registered with the depositories and for procuring user id, password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.relations@sbicard.com.
2. In case shares are held in demat mode, please provide DPIDCLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor.relations@sbicard.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholders/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Process of Registration of Email address and other details:

i) For Temporary Registration:

Pursuant to relevant circulars the shareholders who have not registered their email address and in consequence the notice could not be serviced may temporarily get their email address registered with the Company's Registrar and Share Transfer Agent, Link Intime India Pvt. Ltd. through the link: https://linkintime.co.in/emailreg/email_register.html and follow the registration process as guided thereafter. Post successful registration of the email, the shareholder would receive soft copy of the Notice of AGM and the Annual Report for the financial year 2022-23 comprising Financial Statements, Board's Report, Auditor's Reports and other documents required to be attached therewith and the procedure for e-voting along with the User ID and Password to enable e-voting for the AGM from NSDL. In case of any queries relating to the registration of E-mail address, shareholder may write to rnt.helpdesk@linkintime.co.in & for e-voting related queries you may write to NSDL at evoting@nsdl.co.in.

ii) For Permanent Registration:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address:

- in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.
- in respect of physical holding with Company's Registrar and Transfer Agents i.e. Link Intime India Pvt. Ltd. by sending a request in the prescribed form.

iii) Registration of Bank Details:

Please Contact your Depository Participant (DP) and register your email address and Bank account details in your demat account, as per the process advised by your DP. In case of physical holding, please contact the RTA of the Company i.e. Link Intime India Pvt. Ltd.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the Annual General Meeting through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC / OAVM link" placed under "Join meeting" menu against Company Name. You are requested to click on VC / OAVM link placed under Join Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote

e-Voting instructions mentioned in the notice to avoid last minute rush.

- ii. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further, members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Please note that participants connecting from mobile devices or tablets or through laptop, connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- i. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.
- ii. Only those Members/Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- iii. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- iv. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

EXPLANATORY STATEMENT CONTAINING MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Re-appointment of Mr. Shrinivas Yeshwant Joshi (DIN: 05189697) as an Independent Director of the Company

The shareholders of the Company at the 23rd Annual General Meeting held on August 26, 2021 appointed Mr. Shrinivas Yeshwant Joshi (DIN: 05189697) as an Independent Director of the Company for a term of 3 (three) years with effect from December 4, 2020 upto December 3, 2023.

The Nomination and Remuneration Committee (the 'NRC Committee') of the Board of Directors, on the basis of the performance evaluation, has recommended the re-appointment of Mr. Shrinivas Yeshwant Joshi as an Independent Director, for a second term of 3 (three) consecutive years, on the Board of the Company. The Board of Directors of the Company has also expressed its satisfaction on the performance of Mr. Joshi as an Independent Director on the Board of the Company.

The Board, based on the performance evaluation and as per the recommendations of the Nomination and Remuneration Committee of the Board, considers that given the knowledge, background, experience and contribution made by Mr. Shrinivas Yeshwant Joshi during his tenure, it would be in the interest of the Company to have continued association with Mr. Joshi as an Independent Director of the Company. Accordingly, it is proposed to re-appoint Mr. Shrinivas Yeshwant Joshi as an Independent Director of the Company, not liable to retire by rotation, for a second term of 3 (three) consecutive years on the Board of the Company.

Mr. Shrinivas Yeshwant Joshi fulfills the core skills/expertise/competencies required in the context of the Company's business and sector as mentioned in the Nomination and Remuneration Policy of the Company.

The Company has received a notice in writing from Mr. Shrinivas Yeshwant Joshi proposing his candidature for appointment as an Independent Director on the Board of the Company.

Mr. Shrinivas Yeshwant Joshi has given a declaration to the Board that he meets the criteria of independence as provided in the Act and the Listing Regulations. Also, the Company has received other necessary disclosures and declarations from Mr. Joshi including the declaration that he is not debarred from holding the office of director pursuant to any SEBI Order. In the opinion of the Board, Mr. Joshi fulfills the conditions specified in the Companies Act, 2013, read with the Rules made thereunder and the Listing Regulations, for re-appointment as Independent Director and he holds necessary qualification, experience and expertise to serve as an Independent Director on the Board of the Company. Also, in the opinion of the Board, Mr. Joshi is independent of the Management.

Pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013, the Nomination and Remuneration Committee and the Board have recommended the re-appointment of Mr. Shrinivas Yeshwant Joshi as an Independent Director on the Board of the Company.

Draft Letter of appointment of Mr. Shrinivas Yeshwant Joshi setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

Additional information in respect of Mr. Shrinivas Yeshwant Joshi, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at **Annexure A** to this Notice.

Your Directors recommend the resolutions set out at Item no. 4 for approval of the Members by way of Special Resolution.

None of the Directors, except Mr. Shrinivas Yeshwant Joshi and his relatives, Manager, Key Managerial Personnel, Promoter of the Company and their relatives thereof, is in anyway concerned or interested financially or otherwise in the proposed resolution.

ITEM NO. 5

To consider and approve the Material Related Party Transactions with State Bank of India

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, all material related party transactions and subsequent material modifications as defined by the Audit Committee shall require prior approval of the shareholders through resolution even if, such transactions are in the ordinary course of business and on an arm's length basis and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Further, as per the Listing Regulations, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1000 Crores (Rupees One Thousand Crore) or 10% (Ten per cent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. However, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed 5% (Five percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity.

The Shareholders of the Company at the 24th Annual General Meeting held on August 26, 2022, accorded their approval for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions with State Bank of India (whether individual transaction or transactions taken together or series of transactions or otherwise) for the Financial Year 2022-23 and thereafter upto the date of the next annual general meeting of the Company to be held in FY 2023-24 or fifteen months from the date of the 24th Annual General Meeting, whichever is earlier.

Since the approval as mentioned above is valid upto the date of annual general meeting of the Company to be held in FY 2023-24, this resolution is being placed for the approval of members, so as to obtain their approval for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions with State Bank of India (whether individual transaction or transactions taken together or series of transactions or otherwise) from the date of this 25th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months.

State Bank of India (SBI) is a related party of the Company pursuant to provisions of the Companies Act, 2013 and the Listing Regulations and the Company enters into various contracts/arrangements/transactions with it as disclosed in the notes forming part of the financial statements. In the financial year 2022-23, the transactions with SBI in terms of aggregate value, have exceeded prescribed threshold limits for the relevant year. The transactions have been continued so far in the financial year 2023-24 and are expected to exceed the prescribed threshold limits under the Listing Regulations and other laws as may be applicable from time to time so as to qualify as material related party transactions. Going forward also, the Company intends to continue such transactions with SBI.

Accordingly, as per Regulation 23 of the Listing Regulations, approval of the Members is sought for the arrangements/ transactions to be undertaken/undertaken by the Company

whether by way of continuation/extension/renewal/modification (i.e not falling under the purview of the material modification defined by the Audit committee of the Company) of earlier arrangements/ transactions. Accordingly, the Company proposes to obtain approval of its Members for authorizing the Board for carrying out and/or continuing with the following arrangements and transactions with SBI:

- (i) Banking services/loan transactions/credit facility including all forms of borrowings/Fixed Deposits/ Investments/ Debentures
- (ii) Finance Charges/Bank Charges/Fee & Commission
- (iii) Advertisement/Marketing/Sourcing of Cards/Sales Promotion/Collection
- (iv) Payment of Royalty at the rate of 0.20% of Total Income or 2% of Profit After Tax, whichever is higher
- (v) Corporate Card facility/Loans and Advances
- (vi) Contribution to other funds
- (vii) Cost allocation/Infrastructure sharing/Rentals/Leases and other arrangements/transactions including transactions as may be disclosed in the notes forming part of the financial statements for the relevant period.

The above stated arrangements and transactions with SBI amounts to related party transactions falling within the purview of the Listing Regulations and all these transactions in aggregate, are material related party transactions under the Listing Regulations.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:

SI. No. Particulars	
1.	Type of transaction, material terms and particulars of the proposed transaction
	(i) Banking services/loan transactions/credit facility including all forms of borrowings/ Fixed Deposits/Investments/Debentures
	(ii) Finance Charges/Bank Charges/Fee & Commission
	(iii) Advertisement/Marketing/Sourcing of Cards/Sales Promotion /Collection
	(iv) Payment of Royalty at the rate of 0.20% of Total Income or 2% of Profit after Tax, whichever is higher
	(v) Corporate Card facility/Loans and Advances
	(vi) Contribution to other funds
	(vii) Cost allocation/Infrastructure sharing/Rentals/Leases and other arrangements transactions including transactions as may be disclosed in the notes forming part of the Pnancial statements for the relevant period.
2.	Name of the related party
	State Bank of India (SBI)

Sl. No.	Particulars	
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Holding Company (Nature of Interest: - Financial)
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is being sought for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions with State Bank of India (whether individual transaction or transactions taken together or series of transactions or otherwise) from the date of this 25 th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months.
5.	Value of proposed transaction	The Value of proposed transactions with SBI in the financial year 2023-24 is expected to be ~ ₹ 24,000 Crore. The amount mentioned above includes limits ~ ₹ 23,150 Crores towards Borrowing/ Debentures, Fixed Deposits and Corporate Card facility/ Loans & Advances as approved by the Audit Committee. Actual value of the transactions will depend upon the business requirements. Further, a variance of 10% in the value of proposed transactions with SBI be considered for the FY 2024-25.
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with SBI during the FY 2023-24 is 168% of the annual turnover of the Company for the FY 2022-23.
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary – <u>The information pertaining to Corporate Card Facility provided by the Company is mentioned below:</u>	
	i. Details of the source of funds in connection with the proposed transaction;	The Company being a listed NBFCs, disclosure of source of funds is Not Applicable.
	ii. Where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	The Company in its ordinary course of business issues Corporate Credit Cards and for the said purpose incurs indebtedness in the nature of Borrowings including Loans (funded/non-funded), Debentures, Commercial Papers etc. The tenure is as per the agreed Terms and Conditions. Further, the Company being a listed NBFC, disclosure of cost of funds is Not Applicable.
	iii. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;	Corporate Credit Card facility is provided as per the Standard Terms and condition of credit card usage. Further, the same is unsecured.
	iv. Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Credit Card usage.
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with SBI are in the Ordinary course of business and are on an arm's length basis. It is further ensured that the transactions with SBI are conducted as if it is with an unrelated party, so that there is no conflict of interest. It is ensured that the transactions undertaken are in the best interest of the Company while leveraging the benefits of being a subsidiary of India's largest Bank.
9.	Copy of the valuation or other external party report, if any such report has been relied upon.	NA
10.	Any other information relevant or important for the members to take a decision on the proposed transaction	NIL

Members may note that these Related Party Transactions, placed for members' approval, shall, at all times, be subject to prior approval of the Audit Committee of the Company and shall continue to be in the ordinary course of business and at arm's length. As per the regulations, all the related party transactions shall be approved only by those members of the audit committee, who are Independent Directors. The transactions shall also be reviewed/ monitored on quarterly basis by the

Audit Committee of the Company as per Regulation 23(2) and 23(3) of the Listing Regulations and Section 177 of the Act and shall remain within the proposed amount(s) being placed before the members. Any subsequent material modifications in the proposed transactions, as may be defined by the audit committee as a part of Company's Policy on Related Party Transactions, shall be placed before the members for approval, in terms of Regulation 23(4) of the Listing Regulations.

The Audit Committee of the Company has granted its approval for the said related party transactions entered/proposed to be entered into by the Company with SBI as stated in the resolution and explanatory statement and has been duly assessed that the said transactions are on an arm's length basis and in the ordinary course of the Company's business.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 5 of this Notice except to the extent of their employment/nomination by SBI/employment in the Company, if any and their shareholding in the Company/SBI, if any.

SBI being promoter of the Company, shall be deemed to be interested in the proposed resolutions. The Members may please note that in terms of the provisions of the Listing Regulations, no related party/ies shall vote to approve the resolution as set out at Item No. 5. The Board of Directors at its meeting held on July 10, 2023 recommended the passing of the resolutions set-out under Item No. 5 of the Notice as an Ordinary Resolution.

ITEM NO. 6

To consider and approve the Material Related Party Transactions with SBI Capital Markets Limited

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, all material related party transactions and subsequent material modifications as defined by the Audit Committee shall require prior approval of the shareholders through resolution even if, such transactions are in the ordinary course of business and on an arm's length basis and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Further, as per the Listing Regulations, a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 Crores (Rupees One Thousand Crore) or 10% (Ten per cent) of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower. However, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 5% (Five percent) of the annual consolidated turnover of the Company as per the last audited financial statements of the listed entity.

The Shareholders of the Company at the 24th Annual General Meeting held on August 26, 2022, accorded their approval for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions with SBI Capital Markets Limited (whether individual transaction or transactions taken together or series of transactions or otherwise) for the Financial Year 2022-23 and thereafter upto the date of the next

annual general meeting of the Company to be held in FY 2023-24 or fifteen months from the date of the 24th Annual General Meeting, whichever is earlier.

Since the approval as mentioned above is valid upto the date of annual general meeting of the Company to be held in FY 2023-24, this resolution is being placed for the approval of members, so as to obtain their approval for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions with SBI Capital Markets Limited (whether individual transaction or transactions taken together or series of transactions or otherwise) from the date of this 25th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months.

SBI CAP is a related party of the Company pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations and the Company enters into various contracts/arrangements/transactions with it as disclosed in the notes forming part of the financial statements. The transactions with SBI CAP have been continued so far in the financial year 2023-24 and are expected to exceed the prescribed threshold limits under the Listing Regulations and other laws as may be applicable from time to time so as to qualify as material related party transactions. Going forward also, the Company intends to continue such transactions with SBI CAP.

Accordingly, as per Regulation 23 of the Listing Regulations, approval of the Members is sought for the arrangements/transactions to be undertaken/undertaken by the Company whether by way of continuation/ extension/ renewal/ modification (i.e not falling under the purview of the material modification defined by the Audit committee of the Company) of earlier arrangements/transactions. Accordingly, the Company proposes to obtain approval of its Members for authorizing the Board for carrying out and/or continuing with the following arrangements and transactions with SBI CAP:

- (i) Capital/debt market services
- (ii) Corporate Credit Card facility/Loans and Advances
- (iii) Borrowings/Investments/Debentures
- (iv) and other transactions as may be disclosed in the notes forming part of the financial statements for the relevant period

The above stated arrangements and transactions with SBI CAP amount to related party transactions falling within the purview of the Listing Regulations and all these transactions in aggregate, are expected to be material related party transactions under the Listing Regulations.

Details of Material Related Party Transactions and other particulars thereof as per SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 including summary of information presented to Audit Committee are mentioned hereunder:

Sl. No.	Particulars	
1.	Type of transaction, material terms and particulars of the proposed transaction	<ul style="list-style-type: none"> i. Capital/debt market services ii. Corporate Credit Card facility/Loans and Advances iii. Borrowings/Investments/Debentures iv. and other transactions as may be disclosed in the notes forming part of the financial statements for the relevant period
2.	Name of the related party	SBI Capital Markets Limited
3.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	Fellow Subsidiary (Nature of Interest: - Financial)
4.	Tenure of the proposed transaction (particular tenure shall be specified)	The Transactions are recurring in nature. The approval of the shareholders is sought for entering into and/or carrying out and/or continuing with contracts, arrangements and transactions with SBI Capital Markets Limited (whether individual transaction or transactions taken together or series of transactions or otherwise) from the date of this 25 th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months.
5.	Value of proposed transaction	The Value of proposed transactions with SBI CAP in the financial year 2023-24 is expected to be ~ ₹ 2,050 Crores (including limits towards Corporate Card facility/Debentures). Actual value of the transactions will depend upon the business requirements. Further, a variance of 10% in the value of proposed transactions with SBI CAP be considered for the FY 2024-25.
6.	The percentage of the Company annual turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	The value of proposed transactions with SBI CAP during the FY 2023-24 is 14.35% of the annual turnover of the Company for the FY 2022-23.
7.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary - <u>The information pertaining to Corporate Card Facility provided by the Company is mentioned below:</u>	
	i. Details of the source of funds in connection with the proposed transaction;	The Company being a listed NBFCs, disclosure of source of fund is Not Applicable.
	ii. Where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments nature of indebtedness; cost of funds; and tenure;	The Company in its ordinary course of business issues Corporate Credit Cards and for the said purpose incurs indebtedness in the nature of Borrowings including Loans (funded/non-funded), Debentures, Commercial Papers etc. The tenure is as per the agreed Terms and Conditions. Further, the Company being a listed NBFC, disclosure of cost of funds is Not Applicable.
	iii. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;	Corporate Credit Card facility is provided as per the Standard Terms and condition of credit card usage. Further, the same is unsecured.
	iv. Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Credit Card usage.
8.	Justification as to why the RPT is in the interest of the Company	The related party transactions entered by the Company with SBI CAP are in the Ordinary course of business and are on an arm's length basis. It is further ensured that the transactions with SBI CAP are conducted as if it is with an unrelated party, so that there is no conflict of interest. It is ensured that the transactions undertaken are in the best interest of the Company while leveraging the benefits of being a part of SBI Group.
9.	Copy of the valuation or other external party report, if any such report has been relied upon	NA
10.	Any other information relevant or important for the members to take a decision on the proposed transaction	NIL

Members may note that these Related Party Transactions, placed for members' approval, shall, at all times, be subject to prior approval of the Audit Committee of the Company and shall continue to be in the ordinary course of business and at arm's length. As per the amended regulations, all the related party transactions shall be approved only by those members

of the audit committee, who are independent directors. The transactions shall also be reviewed/ monitored on quarterly basis by the Audit Committee of the Company as per Regulation 23(2) and 23(3) of the Listing Regulations and Section 177 of the Act and shall remain within the proposed amount(s) being placed before the members. Any subsequent material

modifications in the proposed transactions, as may be defined by the audit committee as a part of Company's Policy on Related Party Transactions, shall be placed before the members for approval, in terms of Regulation 23(4) of the Listing Regulations.

The Audit Committee of the Company has granted its approval for the said related party transactions entered/proposed to be entered into by the Company with SBI CAP as stated in the resolution and explanatory statement and has also noted that the said transactions are on an arm's length basis and in the ordinary course of the Company's business.

None of the Directors or Key Managerial Personnel of the Company or their relatives, are in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of this Notice except to the extent of their employment/nomination by SBI/employment in the Company, if any and their shareholding in the Company/SBI/ SBI CAP, if any.

SBI CAP being a fellow subsidiary and SBI being promoter of the Company and the promoter and holding company of SBI CAP, shall be deemed to be interested in the proposed resolutions. The Members may please note that in terms of the provisions of the Listing Regulations, no related party/ies shall vote to approve the resolution as set out at Item No.6. The Board of Directors at its meeting held on July 10, 2023 recommended the passing of the resolutions set-out under Item No. 6 of the Notice as an Ordinary Resolution.

ITEM NO. 7

To consider and approve Alteration in the Articles of Association of the Company

Securities and Exchange Board of India vide its notification number SEBI/LAD-NRO/GN/2023/119 dated February 2, 2023 ("SEBI Notification"), amended the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("SEBI NCS Regulation"). Pursuant to the amendment(s), "If an issuer is a company, it shall ensure that its Articles of Association require its Board of Directors to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors."

Further, in case Articles of Association (AOA) of a issuer company whose debt securities are already listed on the date of SEBI Notification does not contain a provision for appointing a Nominee Director by Debenture Trustee then such issuer company should amend their AOA on or before September 30, 2023, to comply with the provisions of the SEBI NCS Regulations.

The Company has issued the debt securities under SEBI NCS Regulations and accordingly, the AOA of the Company should be amended to incorporate the said provisions with respect to appointment of Nominee Director by the Debenture Trustee in terms of Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

Pursuant to Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, It shall be the duty of every debenture trustee to appoint a nominee director on the Board of the company in the event of:

- (i) two consecutive defaults in payment of interest to the debenture holders; or
- (ii) default in creation of security for debentures; or
- (iii) default in redemption of debentures.

Pursuant to section 14 of the Companies Act, 2013 alteration of Articles of Association of the Company requires approval of the members of the Company.

Accordingly, the Board of Directors of the Company vide its resolution dated July 10, 2023, had inter alia, approved the insertion of a new clause 33(ii)(e) in the Articles of Association of the Company, subject to the approval of the member of the Company by way of special resolution.

The draft of the amended AOA of the Company is available for inspection by the members in accordance with the applicable provisions of the Companies Act, 2013.

Your Directors recommend the resolutions set out at Item no. 7 for approval of the Members by way of Special Resolution.

None of the Directors, Manager, Key Managerial Personnel, Promoter of the Company and their relatives thereof is in anyway concerned or interested financially or otherwise in the proposed resolution.

ITEM NO. 8 AND ITEM NO. 9

To consider and approve matter of authorization to borrow money in excess of paid up capital and free reserves and to consider and approve matter of authorization to the Board to mortgage /create charge on the assets of the Company for its borrowings

Pursuant to the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013, the Board of Directors of a public limited company shall exercise the following powers only with the consent of the company by a special resolution, namely:

- (a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings.
- (b) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital, free reserves and securities premium apart from temporary loans obtained from the company's bankers in the ordinary course of business:

The members of the Company at the EGM held on November 15, 2019 had authorized the Board of Directors to borrow upto a sum not exceeding ₹ 33,000 Crore (apart from temporary loans obtained from the company's bankers in the ordinary course of business) and to create mortgage/ charge on the assets of the Company for its borrowings upto ₹ 33,000 Crore.

As on June 30, 2023, the total borrowing limit utilized out of ₹ 33,000 Crores is ~ 12, 000 Crores. Further, as on June 30, 2023 the Company has created charge of ₹ 25,000 crores to consortium bankers in lieu of working capital limits given by them. The Company has clocked a growth of 30% in receivables during FY 2023. Since the Company's credit card base and receivables are growing and expected to grow further, there is a requirement of enhancement in the borrowings as well as the charge limits. The monies so borrowed shall be utilized by the Company, for its regular business activities including discharging the existing debt obligation and for such other corporate purposes.

Accordingly, it is proposed to enhance the power of Board of Directors to borrow upto a sum not exceeding ₹ 45,000 Crore (apart from temporary loans obtained from the company's bankers in the ordinary course of business). It is further proposed to enhance the power of the Board upto Rs. 45,000 Crore to create charge/mortgage and/or provide by way of security in any form, the movable and/or immovable properties/assets of the Company, both present and future, in favour of the lender(s)/Debenture trustee(s) to secure such financial assistance and temporary loans obtained from Company's bankers. This will enable the Board to fulfill/discharge the basic requirement appended with borrowing of funds from a Financial Institutions, Banks and/or any other person or persons as permitted under applicable law

Hence, the approval of the members of the Company is being sought for resolution set-out under Item No. 8 and 9, by way of a Special Resolutions.

Your Directors recommend the resolutions set out at Item no. 8 and 9 for approval of the Members by way of Special Resolutions.

None of the Directors, Manager, Key Managerial Personnel, of the Company and their relatives thereof, is in anyway concerned or interested financially or otherwise in the proposed resolutions except to the extent of their employment/nomination by State Bank of India (SBI), if any.

SBI being promoter of the Company and the member of the consortium of Bankers, shall be deemed to be interested in the proposed resolutions.

ITEM NO. 10

Appointment of Shri Abhijit Chakravorty (DIN: 09494533) as Managing Director and Chief Executive Officer of the Company

The State Bank of India, Corporate Centre, Mumbai vide its Letter dated July 4, 2023 nominated Shri Abhijit Chakravorty as

SBI Nominee for appointment as Nominee Director, Managing Director and Chief Executive Officer of the Company.

As per section 196 and 203 of the Companies Act, 2013, subject to the provisions of the Companies Act, 2013, a Managing Director shall be appointed and the terms and conditions of such appointment and remuneration payable be approved by the Board of Directors at a meeting which shall be subject to approval by a resolution at the next general meeting of the company. Further, as per Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of shareholders for appointment of a person on the Board of Directors is required to be taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier.

Based on the recommendation of the Nomination and Remuneration Committee of the Company at its meeting held on the July 10, 2023, the Board of Directors of the Company had approved the appointment of Shri Abhijit Chakravorty as the Managing Director and Chief Executive Officer of the Company for a period of 2 (two) years commencing from August 12, 2023 (Saturday), on such terms and conditions including remuneration, as recommended by Nomination and Remuneration Committee of the Company, subject to the approval of shareholders and other requisite approvals as may be required under applicable provisions of various laws including Section 196 read with Schedule V of the Companies Act, 2013 and Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Shri Abhijit Chakravorty is not debarred from holding the office of Director pursuant to any SEBI order or any other such authority as per the circular of the BSE Limited and the National Stock Exchange of India Limited relating to the "Enforcement of SEBI Orders regarding appointment of Directors" by the listed companies dated June 20, 2018.

The terms and conditions of appointment and Remuneration to be paid to Shri Abhijit Chakravorty for FY 2023-24 and thereafter, shall be in accordance with SBI Rules, as Shri Abhijit Chakravorty is SBI officer TEGSS-II, on deputation to the Company and Nomination and Remuneration Policy and Compensation Policy of the Company and within the limits stated below:

- i. Managing Director and Chief Executive Officer is being delegated with substantial powers of the management in the ordinary course of business till such period as he holds office as the Managing Director & CEO of the Company and shall perform such duties and services as entrusted to him from time to time;
- ii. Managing Director and Chief Executive Officer shall undertake to use his best endeavors to promote the interests of the Company and comply with such orders and directions as may be given to him by the Board from time to time;

- iii. No sitting fees shall be paid to the Managing Director, for attending the Meetings of the Board of Directors of the Company or Committees thereof;
- iv. Managing Director and Chief Executive Officer is not liable to retire by rotation;
- v. Remuneration shall be as per Nomination and Remuneration Policy and Compensation Policy of the Company and other processes, procedures and policies of the Company;
- vi. Remuneration for FY 2023-24 shall be as follows:

Particulars	Amount (in Lacs)
Basic	₹ 18.05 lacs (approx.)
Allowances / Perquisites*	₹ 19.35 lacs (approx.)
Retiral benefits	₹ 5.85 lacs (approx.)

*excluding perquisites such as furnished house, vehicle etc. provided by the Company including medical benefit. Wage revision, if any to be in accordance with SBI Rules.

Performance bonus and annual increments will be paid/decided in accordance with the applicable Policy determined by Board from time to time on the recommendation of the Nomination and Remuneration Committee (hereinafter called the "NRC") and will be performance-based and taking into account the Company's performance as well, within the limit stated under section 197 of the Companies Act, 2013 and other applicable provisions.

Such other benefits as may be approved by the Board from time to time.

Managing Director and Chief Executive Officer is eligible for furnished house accommodation as per SBI Rules.

The remuneration and benefits stated above shall be within the limits specified under Section 197 and Schedule V of the Companies Act, 2013. No Stock Options will be granted by the Company to Shri Abhijit Chakravorty.

Additional information in respect of Shri Abhijit Chakravorty, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is provided at Annexure-A to this Notice.

Your Directors recommend the resolutions set out at Item no. 10 for approval of the Members by way of Ordinary Resolution.

None of the Directors, Manager, Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the proposed resolution. SBI is interested in this resolution as Shri Abhijit Chakravorty is nominated by SBI.

**By Order of the Board of Directors
For SBI Cards and Payment Services Limited**

Date: July 10, 2023
Place: Gurugram

Payal Mittal Chhabra
Company Secretary and
Compliance Officer

ANNEXURE – A

Details of Director seeking appointment/re-appointment.

Information pursuant to 1.2.5 of the Secretarial Standards on General Meetings (SS- 2) and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment/re-appointment.

Particulars	Shri. Shriniwas Yeshwant Joshi	Shri Abhijit Chakravorty
Date of Birth	13-10-1956	10-03-1965
Age	66 Years	58 Years
Date of first appointment on the Board	December 4, 2020	August 12, 2023
Qualifications	B.Com, FCA, ACS	M.Sc (Chem) and Certified Associate of the Indian Institute of Bankers (CAIIB)
Brief Resume	He is a Chartered Accountant in practice over past 40 years and is also a member of Institute of Company Secretaries of India since 1980. He is a partner at CVK & Associates, Chartered Accountants, Mumbai. He was a member of the Central Council for two terms of the Institute of Chartered Accountants of India (ICAI). He has held positions as Chairman and Secretary of Regional Council Member of Western India Regional Council (WIRC) of ICAI. He is an eminent speaker at various seminars organised by ICAI and its Regional Councils and branches.	Shri. Abhijit Chakravorty is presently a Deputy Managing Director at State Bank of India. Starting his banking career as a Probationary Officer with SBI in 1988, Shri Chakravorty has gained over 34 years of rich experience in Retail and Corporate Banking, Overseas Operations and IT vertical of the Bank.
Expertise in specific functional areas and experience		Shri. Chakravorty had served at Hongkong branch of the Bank. He had a long tenure in Commercial Credit Group of the Bank and was involved in high value Corporate Lending. Shri. Chakravorty managed the Bangladesh Operations of the Bank as CEO and Country Head. In his previous assignment as Chief General Manager (Channels & Operations) at the Global IT Centre of the Bank, Shri. Chakravorty was leading the vertical responsible for IT operations of the customer facing channels and payment systems.
Terms and conditions of Appointment/Re-appointment	As stated in this Notice pursuant to Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Draft Letter of Appointment.	As stated in this Notice and Explanatory Statement (Item 10)
Shareholding	Nil	Nil
Relationship with Directors, Managers and KMP	Nil	Nil
Directorships held in other companies (including Listed Companies)	Nil	Nil
Memberships/ Chairmanships of committees of other companies	Nil	Nil
Listed entities from which the person has resigned in the past three years	Nil	Nil
Remuneration last drawn	Sitting Fee is paid for attending Board and relevant Committee Meetings.	As stated in the Explanatory Statement (Item 10).
Number of meetings of the Board attended during the year i.e. FY2022-23	13	N.A.
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements.	<p>As per the Nomination and Remuneration Policy following are the skills/expertise/competencies required in the context of the Company's business:</p> <ul style="list-style-type: none"> • Industry Knowledge/Experience, • Technical Skills/Experience, • Governance Competencies. <p>Shri. Shriniwas Yeshwant Joshi fulfills the above mentioned skills/expertise/competencies required in the context of the Company's business. For details, please refer to the Brief Resume, Expertise in specific functional areas and experience, etc., as mentioned above.</p>	<p>As per the Nomination and Remuneration Policy following are the skills/expertise/competencies required in the context of the Company's business:</p> <ul style="list-style-type: none"> • Industry Knowledge/Experience, • Technical Skills/Experience, • Governance Competencies. <p>Shri Abhijit Chakravorty fulfills the above mentioned skills/expertise/competencies required in the context of the Company's business. For details, please refer to the Brief Resume, Expertise in specific functional areas and experience, etc., as mentioned above.</p>



25 YEARS

MAKING LIFE SIMPLE



MAKING LIFE SIMPLE

SBI Card was founded 25 years ago, with the motto to 'Make Life Simple' for customers, employees, and other business stakeholders. From that simple, yet inspiring, purpose, a thriving entity was created. Today, we are one of the leading credit card issuers in India, with over 1.68 crore cards in force, and enjoy the patronage of millions of customers.

Responding to evolving and varied spending needs of consumers, our wide spectrum of innovative products and services introduced over the years exemplifies our commitment to customer centricity. And there is more. Going well beyond the stated objective of cashless and contactless payments, these solutions

prioritise speed, transparency and safety for every transaction – to make our customers' life simple in the truest sense.

Technology is a fundamental part of our success, which also drives our future. Our consistent investment in digital and analytics has simplified our front-end and back-end processes. This translates into superior experiences for our customers; a smarter and more efficient way of working for our employees; and robust risk and compliance management for our business. As we seek to broaden our horizons, our technology stack is also enhancing our ability to reach out to new customer cohorts, drive business scalability, and create a sustainable future for all our stakeholders.

There is great power in simplicity in a complex and rapidly changing world. Our outstanding 25 years in an operating environment of constant churn is a testament to this power. Entering the next phase of our journey, we reaffirm our commitment to our purpose of 'Make Life Simple' by pulsating an energising dynamism to match new-age aspirations with new-age solutions.



KEY HIGHLIGHTS*

₹ 2,258 crore
PAT, YoY ↑ 40%

5.6%
ROAA, YoY ↑ 20 bps

25.3%
ROAE, YoY ↑ 245 bps

₹ 5,190 crore
EBCC, YoY ↑ 17%

58.9%
Cost to Income, YoY ↑ 205 bps

23.1%
CAR, YoY ↓ 75 bps

1.68 crore
CIF, YoY ↑ 22%

₹ 2,62,498 crore
Spends, YoY ↑ 41%

₹ 40,722 crore
Receivables, YoY ↑ 30%

*As on March 31, 2023

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Scan QR code to download
SBI Cards and Payment Services Limited
Annual Report 2022-23

25 Glorious Years of Trust and Excellence

Founded in 1998, SBI Card, a subsidiary of the State Bank of India, is the largest pure-play credit card issuer in India. We enjoy a rich legacy while at the same time demonstrating the energy of a start-up. This has bestowed us with a unique ability to evolve with changing consumer needs along with being a responsible entity.

We offer a diverse range of innovative products and services to fulfil our customers' evolving spending requirements. Customer centricity ably supported by trust, safety and transparency forms the core of our operations.

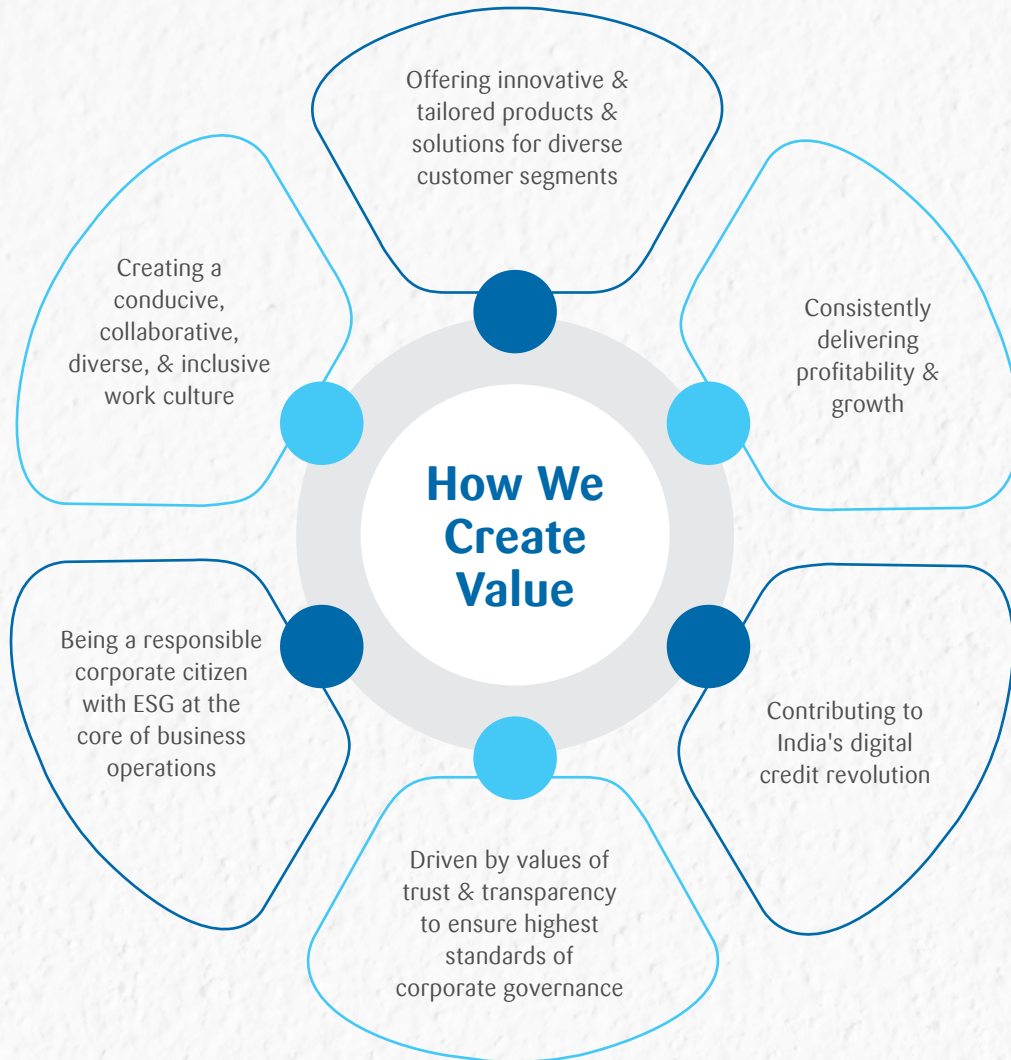
With more than 1.68 crore cards in force as of March 31, 2023, we are the largest pure-play credit card issuer and the second-largest credit card player in India. We also have the second-largest market share in credit card spends in the country with 18.2% share as of March 31, 2023.

Our Company is headquartered in Gurugram, Haryana.

SBI CARD BRAND PROMISE – 'MAKE LIFE SIMPLE'

We endeavour to 'Make Life Simple' for our customers, employees, and other business stakeholders. Our commitment to delivering on this promise is manifested in our innovative products and services as well as our responsible corporate practices adhering to the highest standards.





Key Facts

52.02 lakh

New accounts added in FY2023

198

Sourcing Locations

Credit Rating

Long Term:
AAA/stable by CRISIL and ICRA

Short Term:
A+ by CRISIL and ICRA

3,907

Employees

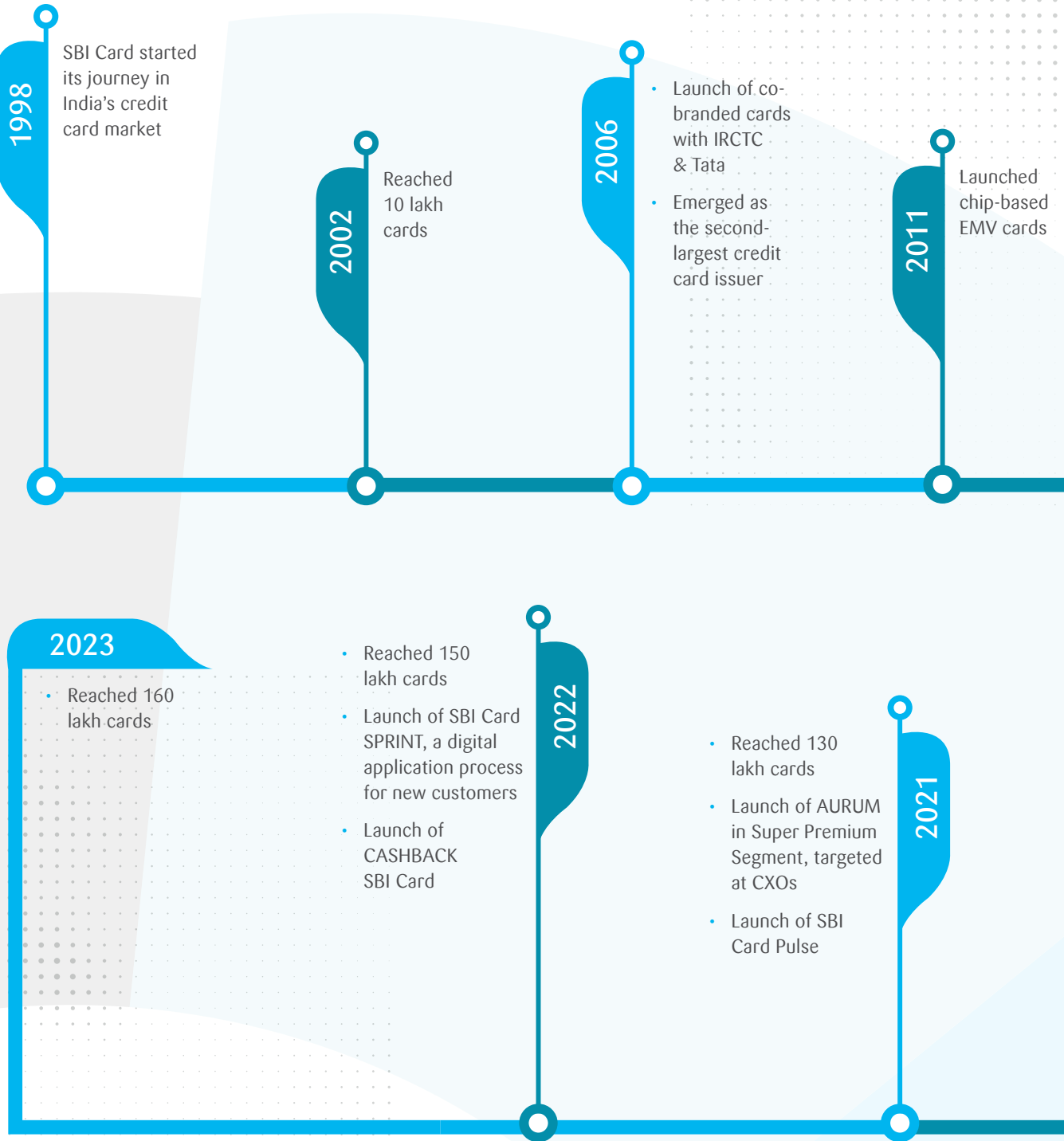
19.7%

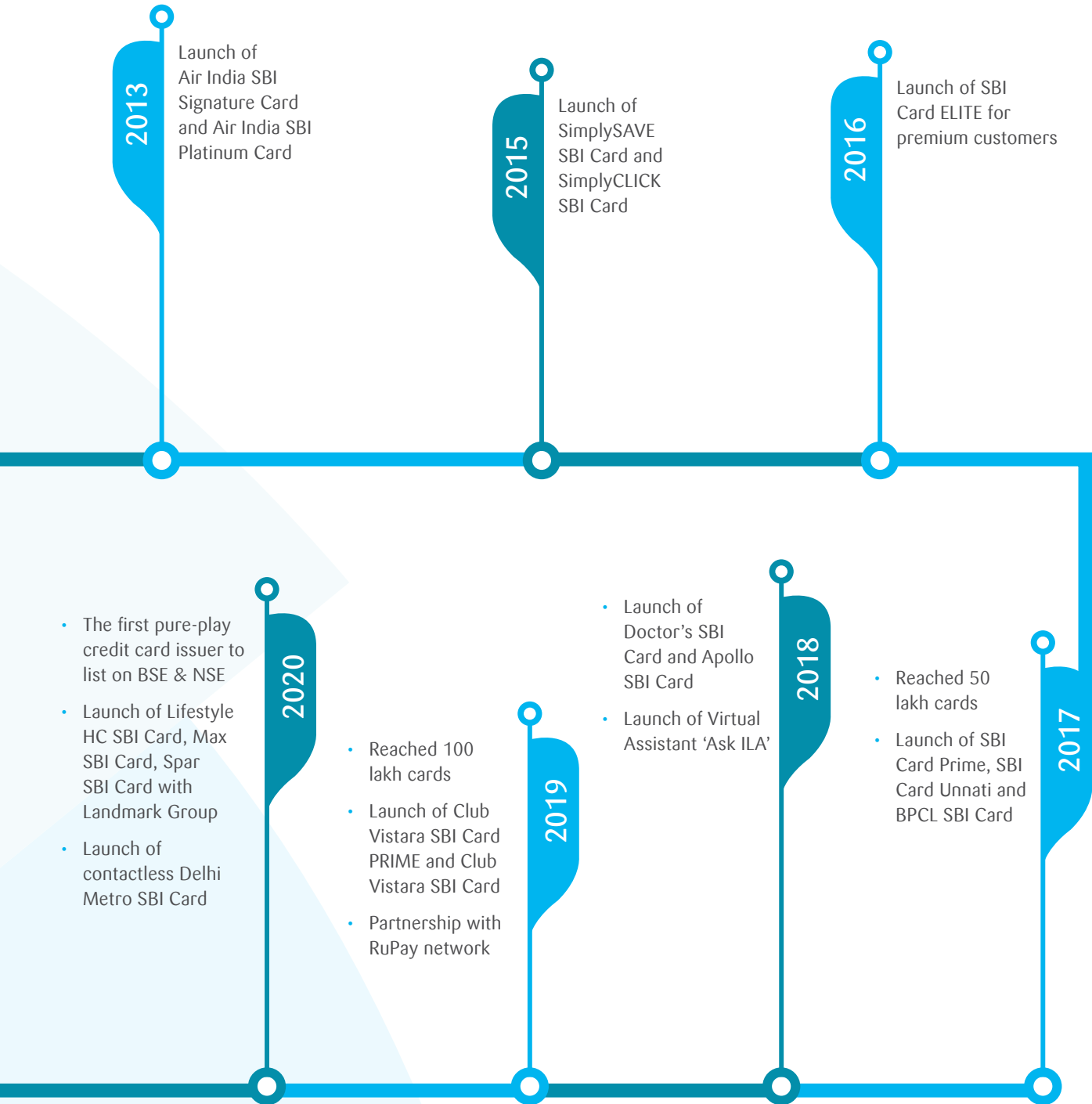
Market Share of Cards in Force as of March 31, 2023

18.2%

Market Share of Spends as of March 31, 2023

Key Milestones in SBI Card's Journey





Celebrating 25 Incredible Years

In 1998, SBI Card entered India's credit card market with confidence and conviction, in an industry which was still in a nascent stage. As India's second-largest credit card issuer, we are proud to have helped expand the market and shape a powerful narrative for the industry.



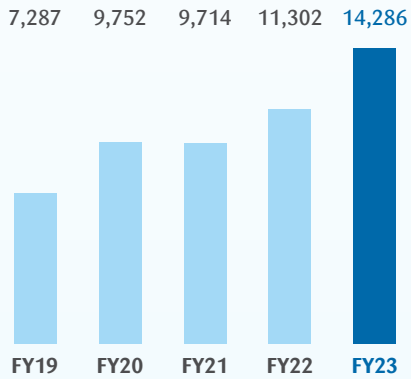
Throughout our momentous journey, our customer focus has remained steadfast. Our commitment is demonstrated by our extensive product portfolio and strong investments in state-of-the-art technology to enrich the customer journey. As a result of our high brand recall, robust acquisition capabilities, and capability to transform with evolving market along with changing customer behaviour and preferences, our customer base has grown significantly over the years.

We have always believed in embedding purpose and sustainability into our business practices. This philosophy has helped us build an enduring organisation that delivers value to all stakeholders. As we celebrate our incredible journey of 25 years, we remain dedicated to building on this legacy of excellence.



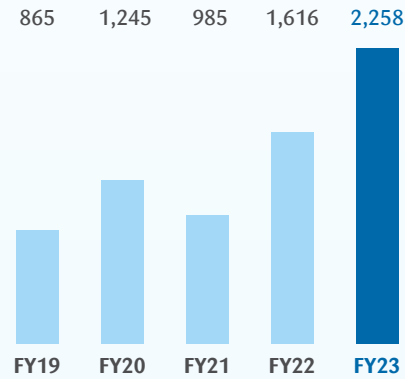
Key Performance Indicators

Total Income ₹ crore



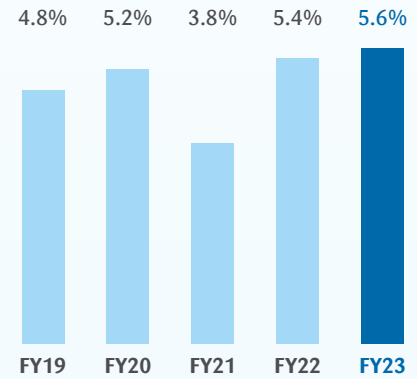
YoY ↑ 26%

PAT ₹ crore



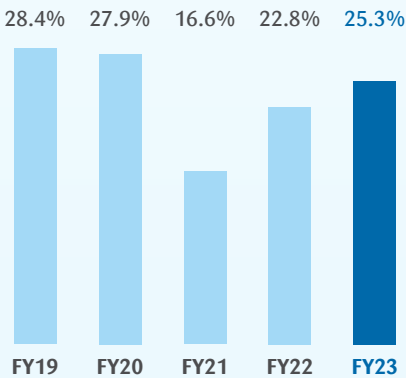
YoY ↑ 40%

Return on Average Assets* %



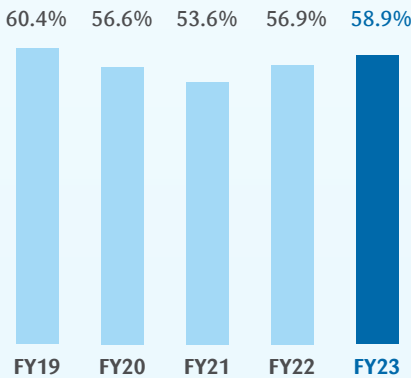
YoY ↑ 20 bps

Return on Average Equity* %



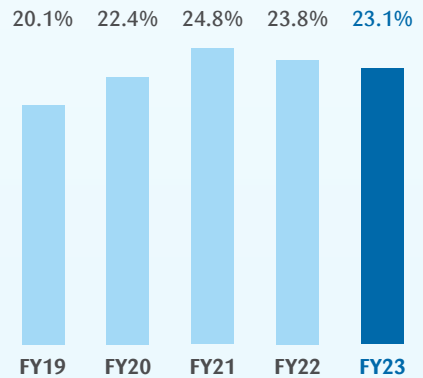
YoY ↑ 245 bps

Cost to Income %



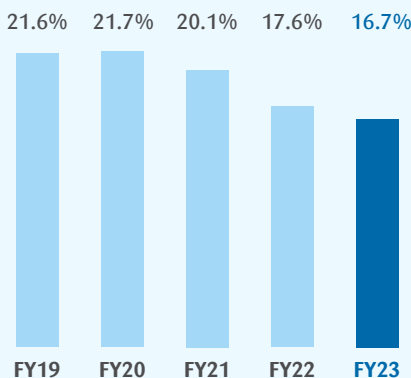
YoY ↑ 205 bps

CAR %



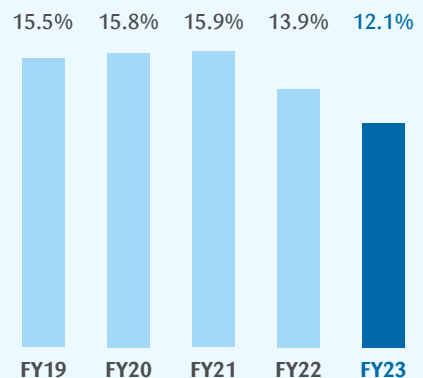
YoY ↓ 75 bps

Interest Income Yield* %



YoY ↓ 97 bps

Net Interest Margin* %

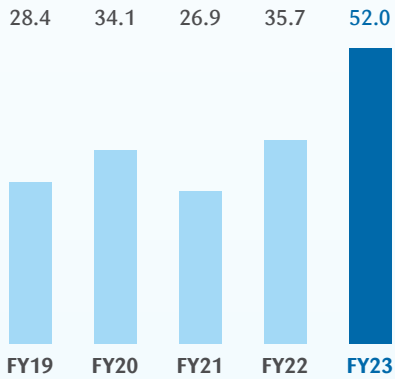


YoY ↓ 175 bps

*FY20, FY21, FY22 & FY23 on 5-point average, FY19 on 2-point average

New Accounts

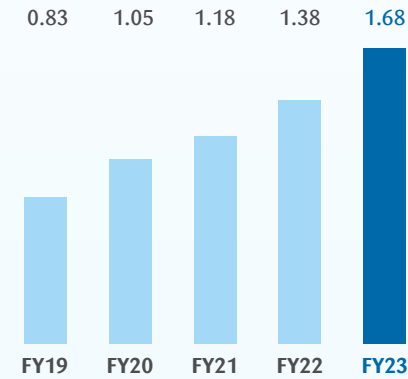
Lakh



YoY ↑ 46%

CIF

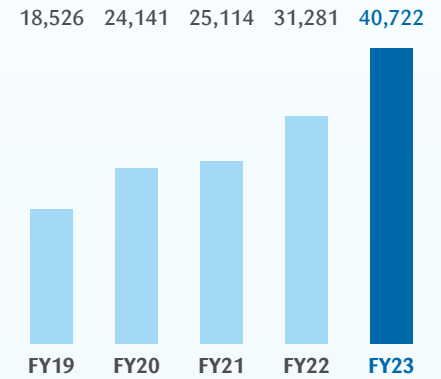
crore



YoY ↑ 22%

Receivables

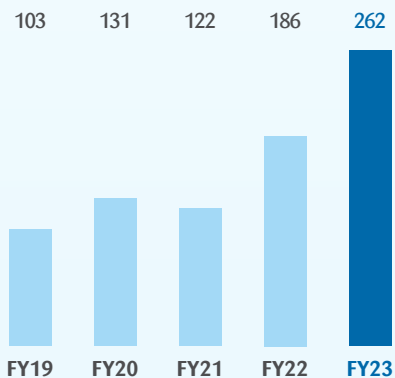
₹ crore



YoY ↑ 30%

Spends

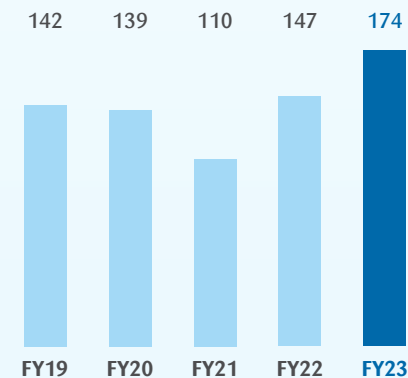
₹ '000 crore



YoY ↑ 41%

Average Spend Per Card*

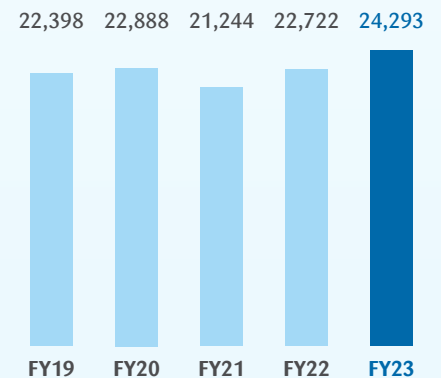
₹ '000



YoY ↑ 18%

Average Receivable Per Card*

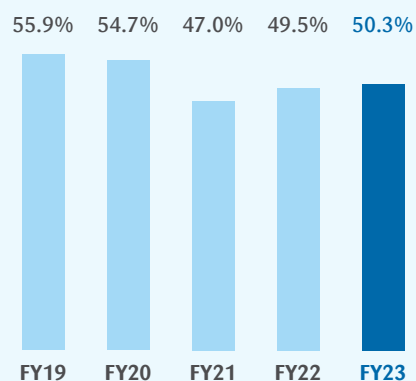
₹



YoY ↑ 7%

30 Days Active

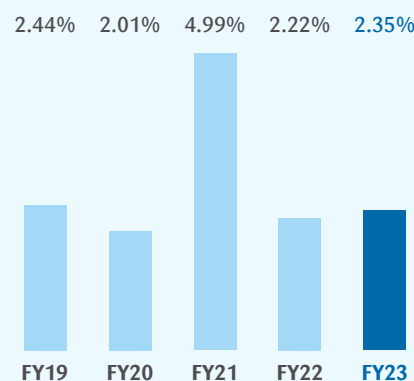
%



YoY ↑ 80 bps

Gross Non-Performing Asset

%



YoY ↑ 13 bps

*FY20, FY21, FY22 & FY23 on 5-point average, FY19 on 2-point average

Awards and Accolades

We analyse our performance through stringent assessments and our relentless efforts are recognised by the external world as well. We are proud of the accolades received from various organisations over the past year, as they validate our commitment to excellence and drive us to achieve even more in the future.



Gold and Silver Stevie Awards

.....

SBI Card won the Gold and Silver Stevie Awards 2023 for Sales and Customer Services. The Stevie Awards are widely considered to be the world's premier business awards, conferring recognition for achievement in the workplace over the past 21 years.



COPC® Inc. Certification

.....

SBI Card Quality Processes in Customer Services were certified by COPC® Inc. The COPC® Certification is the most prestigious recognition in the industry for any customer experience operations.



Golden Peacock National Training Award

.....

SBI Card won the Golden Peacock National Training Award in Financial Sector for Excellence in Training and Development. Instituted by the Institute of Directors (IOD), India, the Golden Peacock National Training Award is considered a global benchmark in corporate excellence.



The Economic Times Best Brand

.....

SBI Card was recognised as the Best Brand 2022 by The Economic Times. The Economic Times Best Brand Awards is an initiative by the Economic Times publication for identifying stellar brands in the market. The recognition was conferred to SBI Card through a detailed consumer survey carried out by the publication, that acts as a voice for the Indian consumers.



Reader's Digest Trusted Brand Award

.....

SBI Card was recognised as 'Reader's Digest Trusted Brand 2022' in the credit card category. The brand has received this recognition for the 14th year. This award is seen as the ultimate seal of consumer approval that recognises brands for delivering exceptional consumer experience.

Corporate Information

BOARD OF DIRECTORS

Mr. Dinesh Khara

Chairman

Mr. Rama Mohan Rao Amara

Managing Director & Chief Executive Officer

Mr. Mihir Narayan Prasad Mishra

Nominee Director

Dr. Tejendra Mohan Bhasin

Independent Director

Mr. Rajendra Kumar Saraf

Independent Director

Mr. Dinesh Kumar Mehrotra

Independent Director

Ms. Anuradha Nadkarni

Independent Director

Mr. Shriniwas Yeshwant Joshi

Independent Director

CHIEF FINANCIAL OFFICER

Ms. Rashmi Mohanty

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Payal Mittal Chhabra

JOINT STATUTORY AUDITORS

M/s. Mahesh C Solanki & Co., Chartered Accountants

M/s. Ambani & Associates LLP

REGISTRAR AND TRANSFER AGENTS

For Equity

Link Intime India Private Limited

C-101, 1st Floor, 247 Park
Lal Bahadur Shastri Marg, Vikhroli (West)
Mumbai – 400 083, Maharashtra, India
Telephone: +91 22 4918 6200
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

For Debt

Zuari Finserv Limited

Plot No. 2
Zamrudpur Community Centre
Kailash Colony Extension
New Delhi - 110048
Telephone: 011-46474000, Extn. 204
Email: rta@adventz.zuarimoney.com
Website: www.zuarimoney.com

BANKERS

State Bank of India

Central Bank of India

Punjab National Bank

Bank of Baroda

Sumitomo Mitsui Banking Corporation

The Hongkong and Shanghai Banking Corporation Limited

HDFC Bank Limited

REGISTERED OFFICE

Unit 401 & 402, 4th Floor, Aggarwal Millennium Tower
E-1,2,3, Netaji Subhash Place, Wazirpur,
New Delhi 110 034, India
Phone: +91 (11) 6126 8100

CORPORATE OFFICE

2nd Floor, Tower-B, Infinity Towers, DLF Cyber City,
Block 2 Building 3, DLF Phase 2, Gurugram,
Haryana 122 002, India
Phone: +91 (124) 458 9803

CIN: L65999DL1998PLC093849

Website: www.sbicard.com

Chairman's Communique



Dinesh Khara
Chairman

According to a recent report, India's digital payments market is poised to grow from the current US\$3 trillion to US\$10 trillion by 2026*, representing an increase of more than threefold.

Dear Shareholders,

This year, SBI Card is celebrating the 25th year anniversary of its inception. On May 15, 1998, SBI Card was born with an aspiration to revolutionise the payments landscape in India. At the time, the credit cards market was at a nascent stage with very few players. SBI Card entered the market to work towards digitising the payments. Since then, the market has witnessed many ups and downs. Today, the market has grown exponentially in size, with over 85 million outstanding cards and spends touching all-time high benchmarks. SBI Card has also charted a firm growth path over these years to become the second-largest credit card player in the industry.

Throughout this remarkable journey, SBI Card has continued to expand its offerings through innovative products, technology, best-in-class capabilities, and connect with new customer segments to meet their evolving aspirations.

I am proud to say that SBI Card has played a pivotal role in shaping the industry, leveraging the conducive economic and consumer-led changes.

The past few years have been crucial for this growth. The industry's outstanding cards have grown at 18% CAGR in the last five years, from FY18 to FY23, with spends seeing an increase at 26% CAGR during the same period. India's consumption-led economy remains robust, driven by several favourable factors, including the digitisation of payments, demographic dividend, and increased disposable incomes. Additionally, growing e-commerce, rising urbanisation, and increased access to financing are redefining the consumption market, leading to a growing shift towards discretionary spending. The recent RBI Consumer Confidence Survey confirms the positive outlook for consumer demand, with households increasing their essential and non-essential spending, indicating a significant opportunity for businesses to capitalise on these prospects.

India has emerged as a frontrunner in the field of digital payments. Over the past five years, India's digital payments landscape has experienced remarkable growth. According to a recent report, India's digital payments market is poised to grow from the current US\$3 trillion to US\$10 trillion by 2026*, representing an increase of more than threefold. This unprecedented growth will lead to non-cash transactions accounting for two out of three payment transactions by 2026, signalling a significant shift towards digital payments in India.

*Source: <https://www.bcg.com/press/2june2022-digital-payments-in-india-projected-to-reach-10-trillion-by-2026>

The Indian credit card industry finds itself at an exciting intersection of increasing discretionary consumption, growing digital payments, and evolving consumer credit behaviour such as growing propensity towards EMLs, greater awareness around building credit profile, etc. To put this into perspective, in March 2023, credit card spends hit an all-time high of ₹ 1.37 trillion**, marking the 13th consecutive month that credit card spends exceeded the ₹ 1-trillion mark. This surge in usage highlights the continued strong demand for credit cards. Furthermore, the introduction and implementation of several favourable regulatory measures during the year has paved the way for more growth opportunities for the industry.

In light of these developments, SBI Card is well-positioned to drive the growth of credit card usage in India. To leverage the opportunities sustainably, SBI Card has established a highly compliant and robust governance framework. Moreover, having earned the trust of millions of customers, the brand continues to carry forward the legacy of State Bank of India (SBI). It has prioritised customer-centricity through varied efforts, from diversifying its portfolio and strengthening acquisition channels to expanding its reach even to Tier 2 and 3 cities. Technology has played a key role in enabling the realisation of these initiatives and ensuring that SBI Card remains at the forefront of the industry's growth.

SBI Card continued its strong business momentum in FY2023, resulting in healthy financials with significant growth in both revenue and profitability over the previous year. Combined with your Company's healthy results, and the Board's confidence in the long-term prospects for the business and its underlying strength, the Board has declared an interim dividend of ₹ 2.5 per equity share for FY2023. This also demonstrates your Company's strong intent to provide value to its shareholders.

SBI Card's comprehensive efforts continue to be acknowledged within the industry, helping it garner several recognitions this year too. Notably, SBI Card has received esteemed accolades such as the ET Best Brands 2022 Award, the Stevie Award for Customer Service, and the Golden Peacock National Training Award for outstanding training and development initiatives.

As a leading industry player, SBI Card recognises its responsibility to provide long-term benefits to society while achieving its business goals. Environmental, Social and Governance (ESG) priorities are being increasingly integrated into SBI Card's business strategy. In line with recognised reporting standards, SBI Card will publish its first ESG report in 2023, detailing its progress towards achieving its goals and laying the foundation for increased transparency.

// SBI Card continued its strong business momentum in FY2023, resulting in healthy financials with significant growth in both revenue and profitability over the previous year.

Throughout the year, SBI Card has undertaken various ESG initiatives, including women's alumni hire programmes, women's network formation and strategy development, adoption and measurement of waste segregation methods, initiation of GHG emissions measurement, rationalisation of plastic consumption, and hiring programmes for people with disabilities. The ongoing focus on hiring and engaging a diverse workforce is enabling SBI Card to advance its diversity, equity and inclusion strategy.

SBI Card continues to be committed to the highest standards of governance, ethics and integrity for ensuring business sustainability. SBI Card embraces robust institutional governance and risk frameworks to ensure that its operations are compliant, secure and stable. These practices and frameworks are constantly reviewed and calibrated, being mindful of the dynamic landscape, to ensure that SBI Card acts in the best interest of its stakeholders. Additionally, it continues to extensively connect with all stakeholder categories during the year through various channels. It is important to note that SBI Card's exemplary governance standards are reinforced by an experienced Board with relevant professional and industry expertise. A full-strength and highly capable senior management team further strengthens your Company's strategic direction and ensures its long-term success.

For the last 25 years, SBI Card has consistently adapted to the ever-changing business landscape by staying agile and innovative. As SBI Card embarks on the next phase of its journey, its commitment and dedication are stronger than ever. SBI Card is well-positioned to leverage India's demographic dividend, younger people joining workforce, rising incomes, increased card usage, opportunities such as linking of UPI and credit cards, and its own robust business model to deliver a sustainable, inclusive and profitable future.

On behalf of the Board, I extend my heartfelt gratitude to the customers, employees, business partners, shareholders, and everyone else who have contributed to making SBI Card what it is today. Thank you for your loyal and unwavering support.

Warm Regards,

Dinesh Khara
Chairman

**https://www.business-standard.com/finance/news/credit-card-spends-touch-all-time-high-of-rs-1-37-trln-in-march-123041400814_1.html

From the Desk of the MD & CEO



Rama Mohan Rao Amara
Managing Director & CEO

Our sharp focus on strengthening acquisition channels and acquisition quality, enhancing sustainability of the business, and ensuring an engaged and active customer base yielded new benchmarks for FY2023.

Dear Shareholders,

I am happy to share with you that SBI Card registered a robust performance for the reporting period, demonstrating the resilient and sustainable business model built over the years. India's credit card industry also achieved strong growth over the past year while assimilating significant changes, setting the tone for its future. At SBI Card, our growth has always been intertwined with India's credit card market's potential, and we are poised to leverage the emerging opportunities to scale our growth further.

Today, digital payments have transformed the way Indians conduct their daily transactions. Various modes of digital payments such as UPI, credit cards etc. have seen a massive adoption and usage among various segments of consumers. The credit card industry has been showcasing a consistent growth, with the number of credit cardholders expanding from 7.4 crore in March 2022 to 8.5 crore in March 2023. Card spends increased significantly by 28% from ₹ 1.07 lakh

crore in March 2022 to ₹ 1.37 lakh crore in March 2023 – the highest ever monthly spends for the industry[^], as of March 2023. FY2023 also saw the highest ever annual card spends in the industry at over ₹ 14 lakh crore, with e-commerce contributing significantly.

The past year has been pivotal for the industry with many changes being introduced by the regulator. These changes are progressive for the industry, with the basic ethos being cardholder convenience and protection. The industry has largely adjusted to and incorporated them in a seamless manner and is now ready for the next level of growth.

Coming to the SBI Card's performance amidst these crucial changes in the industry. Our sharp focus on strengthening acquisition channels and acquisition quality, enhancing sustainability of the business, and ensuring an engaged and active customer base yielded new benchmarks for FY2023. Our market share for cards in force has grown to 19.7%, and we added a record high of 52.02 lakh total new accounts during the year. As of March 2023, our total card base stands at 1.68 crore, with a strong 22% YoY growth. In Q3 FY2023, we added 16 lakh new accounts, the highest ever during a quarter. We continue to be the second-largest credit card issuer in the country.

In terms of card spends, SBI Card's market share has been 18.2% for the year. We recorded the highest ever retail spends in FY2023 at over ₹ 2 lakh crore, with online spends accounting for 57% share. We also witnessed healthy growth across key spend categories such as departmental stores, health, utilities, education, travel, entertainment &

[^] https://www.business-standard.com/finance/news/credit-card-spends-touch-all-time-high-of-rs-1-37-trln-in-march-123041400814_1.html

restaurant. Our card spends in Q4 FY2023 stood at ₹ 71,686 crore, with 32% YoY growth, and retail spends contributing over ₹ 55,500 crore, making it the best quarter for us in retail spends. We continue to hold the second position in the industry for spends market share.

The strong performance of our business is reflected in our healthy financial results. We achieved a YoY revenue growth of 26% with a total revenue of ₹ 14,286 crore in FY2023. Our profit after tax (PAT) increased to ₹ 2,258 crore, registering a significant 40% growth over FY2022. Our robust business model, along with our calculated decisions, agility, and adaptive approach, have driven meaningful and sustainable growth, and we are well-equipped to continue it.

At SBI Card, we are committed to delivering the best payment experience to our customers by leveraging cutting-edge technologies such as Artificial Intelligence, Machine Learning, and Host Card Emulation etc. These enable us to provide personalised customer experience as well as secure mobile payments. Moreover, our scalable technology infrastructure is designed to support our growing business, with enterprise-level investments focussed on improving customer acquisition, servicing and engagement processes.

During the year, through the launch of SBI Card SPRINT, our end-to-end digital enrolment platform, we rolled out our instant card issuance process. We continue to implement more such technology-driven measures for hassle-free and seamless customer experience. For instance, various initiatives to digitise the KYC process across customer journey were launched, using multiple modes such as Biometric eKYC, Digilocker, and Video KYC for customer ease. These efforts have also helped us rationalise the cost of acquisition while bolstering our business fundamentals.

In FY2023, we continued to strengthen our portfolio by introducing new and relevant products. A significant highlight has been the introduction of CASHBACK SBI Card, an industry-first offering. The card has been well-received by customers, and we see it as a strong addition to our portfolio. We teamed up with Aditya Birla Finance to launch a co-brand product, further expanding our offerings. In addition, we also collaborated with Punjab & Sind Bank to launch three co-branded variants, providing millions of Punjab & Sind Bank customers with more options to choose from.

To drive customer engagement and improve their active rates, we continued to invest in initiatives and deals tailored to their preferences. Around 1,600 festive offers were launched pan-India in alliance with leading merchants, providing customers with more opportunities to benefit from our offerings. This

included national, regional, and hyperlocal offers across 2,600 cities, with a particular emphasis on EMI transactions.

Opportunities and outlook

While the global economy continues to be uncertain, the Indian economy is in a sweet spot with robust domestic-led consumption driving the growth story. This bodes well for India's credit card industry. Positive trends also hold the potential to accelerate the industry's growth. Digital payments are rapidly increasing across the country and are expected to constitute nearly 65% of all payments by 2026*. Moreover, e-commerce continues to thrive, with anticipated annual growth of 25-30% for the next five years**. The credit card market remains largely untapped, with only 5 out of every 100 people have credit cards in India. The growing customer base, favourable demographics, increased card usage, and new and positive regulations, especially the linking of UPI and credit cards, will help the industry maintain an upbeat momentum.

We are highly optimistic about capitalising on these unfolding opportunities. Our confidence is rooted in our diversified portfolio, catering to customers from super premium to new to credit segments, a strong brand legacy, state-of-the-art and scalable technology infrastructure, advanced risk management and data analytics capabilities, and deep industry expertise with a proven track record. We are poised to deliver excellent return on equity and create significant value within the financial services sector in India.

FY2023 has been an immensely satisfying year, yet with its share of twists and turns. SBI Card charted the path successfully in a steady manner, just as in the past. I must emphasise the contributions of my colleagues at SBI Card, who have made this possible. I would like to thank them for their unwavering dedication and tireless efforts. I also extend my heartfelt appreciation to our customers, business partners, and investors who have placed their trust in us and supported us throughout.

I am delighted to share that this year marks SBI Card's 25th year of operations. We look forward to celebrating this momentous occasion with all our stakeholders. While we reflect on our successful journey with pride, we believe that the future holds even greater promise. SBI Card will continue to leverage the opportunities presented by India's growing digital landscape and economic prowess to deliver greater value for all stakeholders.

With best wishes,

Rama Mohan Rao Amara

Managing Director & CEO

*<https://www.financialexpress.com/industry/banking-finance/cash-no-longer-the-king-65-transactions-to-be-digital-by-2026-says-bcg-phonepe-report/2546559/>

** <https://economictimes.indiatimes.com/tech/technology/e-commerce-user-base-in-india-to-outpace-us-in-two-years-bain-report/articleshow/94767324.cms?from=mdr>

Our Esteemed Board



Mr. Dinesh Khara
Chairman

He is a postgraduate in commerce from Delhi School of Economics and an MBA from FMS, New Delhi. He is a Fellow of Indian Institute of Banking & Finance. Mr. Dinesh Khara is Chairman of the country's largest Bank - State Bank of India. Having joined the bank as a Probationary Officer in 1984, he has rich experience in all facets of Banking. Before assuming office as Chairman, Mr. Khara has held several key positions in SBI such as MD (Global Banking & Subsidiaries), MD (Associates & Subsidiaries), MD & CEO (SBI Mutual Funds) and Chief General Manager - Bhopal Circle. He was also posted in Chicago for an overseas assignment. As Managing Director, he led the International Banking Group, Large Corporate and Treasury operations in addition to the non-banking subsidiaries of the Bank viz., SBI Card, SBIMF, SBI Life, SBI General etc. He also seamlessly executed the merger of five erstwhile Associate Banks and Bhartiya Mahila Bank, with SBI. Additionally, he also headed the Risk, IT and Compliance functions of the bank at various points.



Mr. Rama Mohan Rao Amara
Managing Director and
Chief Executive Officer

He is an Engineering Graduate, and also has renowned financial accreditations namely CFA and FRM and is a Certified Associate of Indian Institute of Bankers (CAIIB). Mr. Rao, Deputy Managing Director in State Bank of India (SBI) took the helm at SBI Card on January 30, 2021. Based in Gurugram, Mr. Rao manages all facets of SBI Card's business. In his previous role as the Chief General Manager SBI, Bhopal Circle, he has spearheaded two states, namely, MP and Chhattisgarh. Prior to that he served as the Chief General Manager, Financial Control at SBI Corporate Centre in Mumbai. He amassed international experience while managing key assignments for SBI in markets like, Singapore and US. He served as CEO of Chicago branch and then as President and CEO, SBI California. He has been a part of State Bank of India, India's oldest and largest banking group, for almost three decades now and has handled several key assignments, across India and abroad.



Mr. Mihir Narayan Prasad Mishra
Director

He has done Master's in Physics from IIT Kanpur and is a science graduate. He has completed CAIIB and has undergone various trainings and certifications while working for SBI. Presently, he is serving as Chief General Manager (Associates & Subsidiaries) in State Bank of India. His current role includes engagement with all non-banking domestic subsidiaries and oversight of 14 SBI-sponsored RRBs. Earlier, he had headed a Retail Network consisting of about 647 branches of SBI in Bihar/Jharkhand. Mr. Mishra has earlier served in SBI New York for about 2.5 years and SBI General Insurance Co Ltd under deputation from SBI for about a year. In the past, Mr. Mishra had been a Director on the Boards of Andhra Pradesh Grameen Vikas Bank (APGVB) and AP State Warehousing Corporation. He had joined State Bank of India in 1987 as a Probationary Officer.



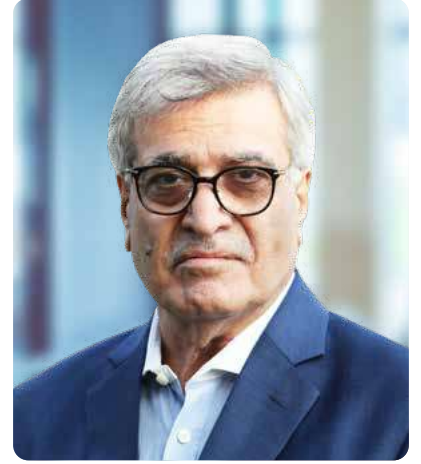
Dr. Tejendra Mohan Bhasin
Independent Director

He holds a Bachelor's degree in law, a Master's degree in business administration. He is an associate of the IIB and is also a Doctor of Philosophy. He has been conferred with honorary fellowship by the Indian Institute of Banking and Finance. He was appointed as the Vigilance Commissioner at the Central Vigilance Commission by the President of India and is presently the Chairman of Advisory Board for Banking and Financial Frauds (ABBFF), constituted by CVC in consultation with RBI. He held senior leadership positions with Oriental Bank of Commerce (now PNB). Government of India appointed Dr. T. M. Bhasin as the Executive Director of United Bank of India (now PNB), during 2007-2010. He served as Chairman & Managing Director of Indian Bank during 2010-15 and received several awards & accolades from Hon'ble President of India and Prime Minister of India for exemplary performance of Indian bank on various parameters under his stewardship. He has over 45 years of varied experience in Banking, Finance, HR, IT, Insurance, Management, Administration, Vigilance, etc.



Mr. Rajendra Kumar Saraf
Independent Director

He holds a Master's degree in Physics from IIT Kanpur and a diploma in financial management. He is an Associate of IIB and Fellow of the Insurance Institute of India. He has held multiple positions during his tenure with SBI in India and abroad, including the Deputy MD and CFO of SBI. He has been advisor and mentor for two important initiatives, viz., Bharat Bill Payment System run by NPCI and TReDS run by Mynd Solutions. He serves as Chairman of the Technical Advisory Committee at NPCI and as a Senior IT Advisor & Member of Expert Advisory Group of National Bank for Financing Infrastructure and Development (NaBFID). He is also a senior advisor to TVS Capital Funds. In a career spanning over four decades, he has acquired expertise in banking, finance functions, technology management, payment systems, digital channels and private equity.



Mr. Dinesh Kumar Mehrotra
Independent Director

He was the Chairman and Managing Director of Life Insurance Corporation of India (LIC). Previously, he was LIC's zonal manager in-charge of eastern zone and its senior divisional manager. He worked on foreign assignments as well. He has approximately 40 years of experience in the insurance and finance sector.

Our Esteemed Board



Ms. Anuradha Nadkarni
Independent Director

She holds a Bachelor's degree in commerce, a postgraduate diploma in management and is a member of the Council of Chartered Financial Analysts of India. She was associated with ANZ Grindlays Bank and Standard Chartered Bank in multiple senior positions in Corporate & Institutional Banking. She was also advisor to Swadhaar Finserve Private Limited and with Lotus India Asset Management Company as the head of business development and strategic initiatives. She has a deep interest in the financial inclusion space and is currently associated with Svakarma Finance Private Limited as a founder and director. She has over 35 years of experience in the banking and financial inclusion sector.



Mr. Shriniwas Yeshwant Joshi
Independent Director

He is a Chartered Accountant in practice over past 40 years and is also a member of Institute of Company Secretaries of India since 1980. He is a partner at CVK & Associates, Chartered Accountants, Mumbai. He was a member of the Central Council for two terms of the Institute of Chartered Accountants of India (ICAI). He has held positions as Chairman and Secretary of Regional Council Member of Western India Regional Council (WIRC) of ICAI. He is an eminent speaker at various seminars organised by ICAI and its Regional Councils and branches.

Our Experienced Management Team



Mr. Rama Mohan Rao Amara
Managing Director & CEO



Mr. Amritesh Mohan
Deputy Chief Executive Officer



Mr. Girish Budhiraja
Executive Vice President &
Chief Sales and Marketing Officer



Ms. Rashmi Mohanty
Executive Vice President & Chief
Financial Officer



Mr. Manish Dewan
Executive Vice President & Head -
Customer Services



Mr. Pradeep Singh Khurana
Executive Vice President &
Chief Information and Digital Officer

Our Experienced Management Team



Ms. Seema Kapahi
Executive Vice President & Chief
People Officer



Mr. Ved Prakash
Executive Vice President & Head -
Internal Audit



Mr. Ashok Kumar Lohmod
Executive Vice President &
Head - Workforce Effectiveness



Mr. Shantanu Srivastava
Executive Vice President &
Chief Risk Officer



Ms. Rinku Sharma
Executive Vice President &
Chief Compliance Officer



Mr. Mohit Kapoor
Executive Vice President &
Head - Legal



Mr. Amit Batra
Executive Vice President & Head -
Open Market and Corporate Sales



Mr. Vishal Singh
Executive Vice President & Head
Banca Channel



Ms. Nandini Malhotra
Executive Vice President & Chief
Credit Officer



Mr. Monish Vohra
Executive Vice President & Head
- Operations



Ms. Anu Choudhary Gupta
Executive Vice President & Head
- Collections

LOOKING BACK. LOOKING AHEAD.

Our esteemed directors reflect on
SBI Card's 25-year journey

Mr. Dinesh Khara

// “SBI Card started its journey with an aspiration of being the currency of Modern India. And today, after 25 years of this remarkable journey, we are the preferred credit card provider of millions of customers with over 16 million cards in force. Over the years, the Company has grown substantially and this journey has been underpinned by sustainability. I am proud of SBI Card’s evolution in these two and half decades led by customer-centricity-inspired innovation. And this transformation reflects in every aspect of its business, be it product or technology. We are extremely grateful to all our stakeholders for their constant support and stand committed to creating long-term value for all.”

Mr. Rama Mohan Rao Amara

// “As SBI Card turns 25, I am filled with immense gratitude towards our customers, partners, and investors who have been a source of constant support and inspiration for us. Through the years, we have upheld the values of trust and transparency in every relationship that we have built over the years, carrying forward the legacy of our parent brand. In 1998, we started with the sole motto of making lives simple for our customers. In this constant pursuit, we have ensured that we remain agile and ahead of the curve to stay relevant to our customers’ evolving needs. We continue to be committed towards our mission of providing world-class consumer experience to our customers. And while doing so, we will keep contributing towards increasing the credit card penetration in India.”

Mr. Mihir Narayan Prasad Mishra

// पच्चीस साल चले लगातार,
अब सक्षम हम कुशल तैयार
लेके छलांग बुलंदी की ओर
उड़ेंगे हम आसमान के पार।

Dr. Tejendra Mohan Bhasin

“Heartiest congratulations to SBI Cards and Payment Services Limited for completing an eventful journey of 25 years, full of achievements and accomplishments on all parameters of size, scale and reach. On the strength of sincerely dedicated human resources, and best-in-class technology, SBI Card is committed to be NUMBER ONE in its future journey, to be the best on profitability, efficiency and productivity parameters, with ethically compliant governance standards.”

Mr. Rajendra Kumar Saraf

“It is a matter of great pride and joy as SBI Card celebrates its glorious journey of 25 years with many firsts to its credit. Its impeccable lineage, relentless quest for excellence and unflinching customer centricity have enabled SBI Card to admirably accomplish its mission of making life simple for its customers. The Company has rightfully emerged as a leader aided by continuous innovations, cutting edge technology and a dedicated team of immensely talented professionals. In its Silver Jubilee year, SBI Card is surely entering a golden period of an even more exciting and rewarding future, dedicated to giving wings to an aspirational nation and enriching the life of every Indian.”

Mr. Shrinivas Yeshwant Joshi

“In the journey towards silver jubilee, SBI CARD has excelled in every aspect of card business be it issue of cards, cards in force, spends and spread in cities across India. Being a group entity, SBI CARD has maintained highest level of traditions and ethics of SBI, the most popular and respected brand in financial services in India. SBI CARD is committed to giving the seamless and highest quality of satisfactory service to all its stakeholders such as shareholders, sponsors, financiers, customers, employees, Government and general public. I wish the company and its team a great success in the years to come.”

Mr. Dinesh Kumar Mehrotra

“Twenty five years of trust, innovation, and excellence, empowering millions to achieve their goals.

Our commitment to providing exceptional services and unmatched rewards is a testament to our journey so far. Let's raise a toast to the past and look forward to an even brighter future.”

Ms. Anuradha Nadkarni

“Compliments to the SBI Card team on this milestone! Over the years, the Company has grown from strength to strength and is among the top players in the credit card space. In a rapidly evolving credit card & payments industry, SBI Card is well poised to further consolidate its market presence backed by a strong management team and robust business practices.”

Mr. Swaminathan Janakiraman*

“Our Company's consistent commitment to growth and robust corporate governance practices have enabled us to accomplish this monumental milestone of 25 years of operations. We wish a happy 25th anniversary to all SBI Card stakeholders and thank them for their unwavering faith in us. Having crossed many milestones over the years with our listing on the stock exchanges being the true test of its success, we look forward to many more such milestones in the years to come.”

*Ceased to be the Director w.e.f. June 26, 2023

Our Business Priorities

At SBI Card, we have always believed in being future-ready. To ensure this, we continue to focus on our key business priorities that include being customer-first, growing acquisition and engagement capabilities, and optimising our risk management framework. Most importantly, these efforts are backed by our use of best-in-class technology.

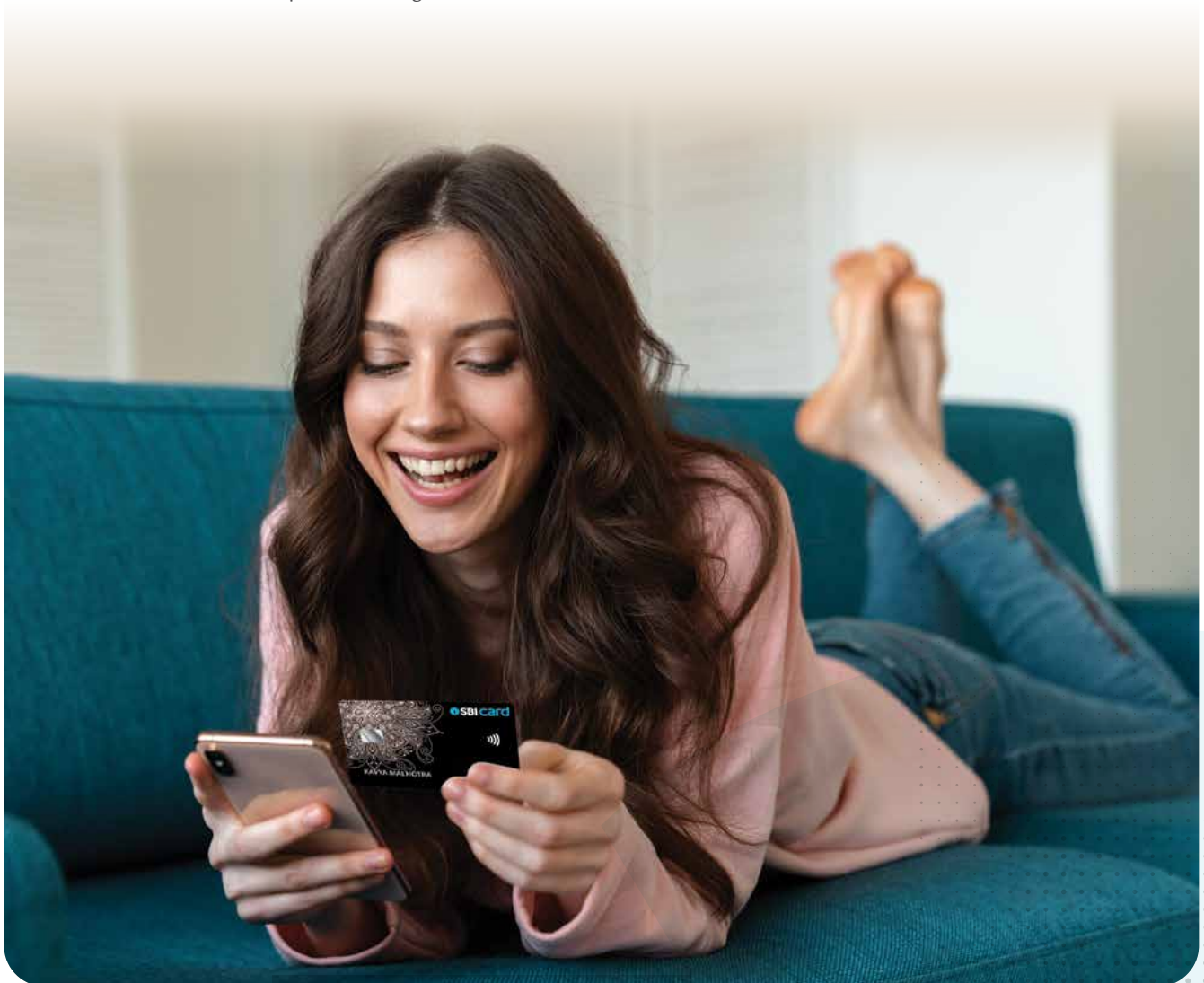
The credit card market in India is growing at a rapid pace with increasing number of consumers opting for credit cards for their daily transactions. The growth is further driven by various factors that include rising disposable incomes, increased adoption and usage of digital payments, improved internet and payments infrastructure, and popularity of e-commerce, among others. However, still in India, only 5 out of every 100 people have credit cards.

SBI Card has a major role to play in India's digital transition journey. As the largest pure-play card issuer in India, we maintain our focus on our competitive strengths to deliver

innovative customised solutions to our customer base. In the process, we ensure comprehensive risk and portfolio management framework.

We are well-positioned to support this transition and remain focussed on leveraging our strengths to provide innovative solutions to our customers and create value for stakeholders.

At SBI Card, we believe in the values of customer first, trust, respect, integrity, and leading with courage. Driven by these values, we intend to grow in a sustainable manner by building best-in-class systems and seamless customer journey.



Our Core Strengths to support this aspiration include



Supported by a strong brand and pre-eminent promoter - SBI

Strong stakeholder trust by instilling sound corporate governance practices

Deep industry experience and expertise

Entering 25th year of operation

Diversified portfolio of credit card offerings

Over 30+ products to meet varied needs

Diversified customer acquisition capabilities

Digital channels, Open market, BANCA, Co-brand partnerships and corporate channel

Growing customer reach

Pan-India presence with special focus on Tier 2 & 3 cities

Modern and scalable technology infrastructure

Increased efficiency and adaptability for changing business requirements

Advanced risk management and data analytics capabilities

Better decision-making, reduced risks, and improved performance

Highly experienced and professional management team

Strategic vision, leadership and early identification of new growth opportunities

Our Strategies





FOLLOW YOUR HEART
AND ADD TO CART

SimplyCLICK Credit Card



T&C Apply.

Why wait when you have the *SimplyCLICK* Credit Card by your side?

Shop online and get 10X Reward Points on online spends with our exclusive partners, 5X Reward Points on other online spends and e-Vouchers worth ₹4,000 on reaching ₹2 Lakh annual online spends.

Exclusive Partners:



Scan to Apply.

Enabling Cashless Economy

India is poised to become the world's third-largest economy in the coming years, with its digital economy set to reach US\$800 billion by 2030*. As a key contributor in India's digital credit landscape, we are dedicated to playing an essential role in facilitating this shift.

India's credit card sector has been growing consistently over the last few years. The sector has undergone a positive shift backed by robust digitisation leading to increased cashless transactions, strong domestic consumption, growing customer base, increase in acceptance touchpoints, enabling regulatory environment around co-branded card offerings and industry-wide favourable regulatory measures.

During FY2023, there has been strong growth across incremental spends and spend per card while cards in force have also increased. The credit card base has increased from 73.6 million during March 2022 to 85.3 million in March 2023. Online transactions have accounted for over 60% of the card spends during FY2023[^].

RBI has been introducing progressive guidelines for the credit card industry, with the basic ethos being cardholder security and protection. During the year, the RBI allowed linking of RuPay credit cards with UPI. This arrangement is expected to provide more avenues and convenience to the customers in making payments through UPI platform. The move is expected to create new use cases for credit card transactions, with UPI payments acting as a feeder for increasing the base of credit eligible customers and increasing opportunities for issuing credit cards.

The digital payments sector is anticipated to accelerate rapidly and reach US\$10 trillion in value, constituting 65% of all payments by 2026*. This provides strong growth potential for India's credit card sector in the coming years.

Total outstanding credit cards in India

8.5 crore
as of March 31, 2023

(7.4 crore as of March 31, 2022)

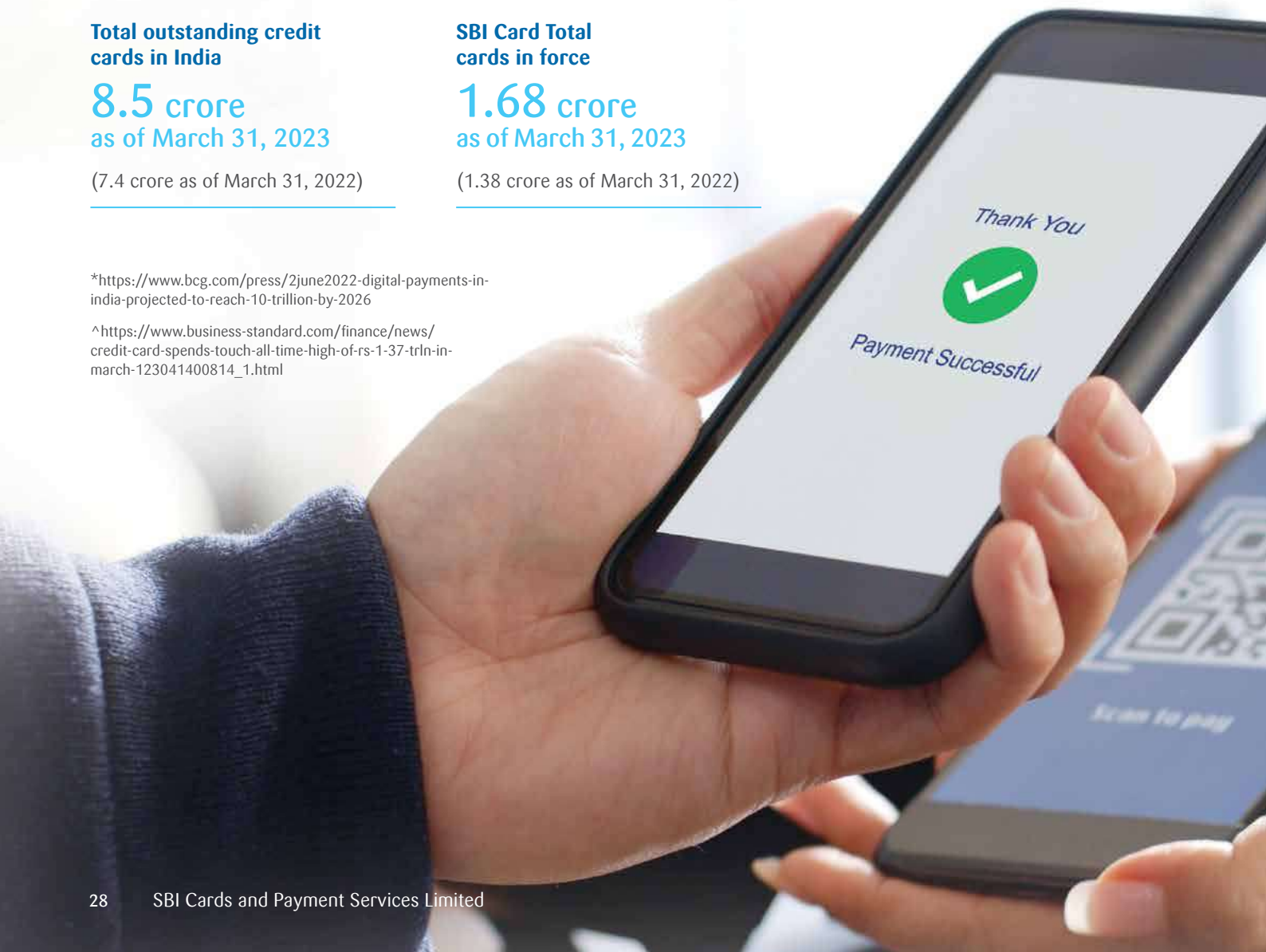
SBI Card Total cards in force

1.68 crore
as of March 31, 2023

(1.38 crore as of March 31, 2022)

*<https://www.bcg.com/press/2june2022-digital-payments-in-india-projected-to-reach-10-trillion-by-2026>

[^]https://www.business-standard.com/finance/news/credit-card-spends-touch-all-time-high-of-rs-1-37-trln-in-march-123041400814_1.html



Although there are over 8.5 crore outstanding credit cards in India, the market remains vastly underpenetrated with only 5 out of every 100 people having credit cards. The low penetration of India's credit card sector, improving payments infrastructure, and favourable demographics offer great potential for market growth. As a leading player in India's digital credit payment landscape, we play a significant role in helping India pivot towards a cashless economy.

SBI Card continues to tap this opportunity while remaining attentive to the evolving macro-economic environment and industry landscape. To leverage the upbeat market momentum witnessed during the year, we have scaled our business processes and systems, enhanced new card acquisitions, and launched new products and engagement programmes. At the same time, we have prepared ourselves to manage the dynamic regulatory environment for exploring future growth avenues.

Credit Card Spends in India

**14.3 lakh crore vs
9.7 lakh crore**

FY23 vs FY22

Spend Per Card

**181k / Card vs
146k / Card**

FY23 vs FY22

Total POS Terminals in India

**77.9 lakh vs
60.7 lakh**

March 31, 2023 vs March 31, 2022

Total BQR codes in India

**61.4 lakh vs
49.7 lakh**

March 31, 2023 vs March 31, 2022

Expanding Customer Cohorts and Our Offerings

India's credit card sector has a huge growth potential with the market being largely underpenetrated. Additionally, rising disposable incomes and favourable customer demographic dividend that India enjoys benefits the sector immensely. SBI Card strives to capture this opportunity by reaching out to new customer segments, especially younger and affluent segments.

We are one of the top open market customer acquisition players in India with a well-calibrated and diversified customer acquisition network developed over the years. Strategic investments during FY2023 helped further scale up our traditional and digital acquisition capabilities via diverse channels to increase our customer base. This resulted in improved market share and helped us sharpen our competitive edge. Our ramped up digital customer acquisition measures have helped to further simplify the customer onboarding journey while supporting sustainable growth.

We have cemented our position as the second-largest credit card issuer in India through our robust nationwide customer acquisition network. Our market share stood at 19.7% as of March 31, 2023. Apart from our open market customer acquisition capabilities, our association with SBI has helped in increasing our customer outreach across the country.

During FY2023, we added 52.02 lakh new accounts, achieving a 46% YoY growth from 35.72 lakh new accounts opened during FY2022. We reached 1.68 crore cards in force with a healthy 22% YoY growth indicating our increasing numbers in terms of overall numbers and economies of scale.

Our traditional open market and Banca channels have reached a steady momentum. Along with our physical customer acquisition network, we have ramped up our digital customer acquisition capabilities during the year. Our pilot end-to-end digital acquisition platform 'SBI Card SPRINT', ran on expected lines. We intend to optimise its potential in the near future.

We have integrated our 24/7 sales digital application platform to our customer onboarding and credit decision platforms. We have also enabled robust digital multi-card capabilities and instant card issuance to our current and new customers, ensuring seamless issuance and cost effectiveness. For SBI Card, YONO – SBI's online channel is a significant platform for creating new accounts. Our digitally-enabled customer onboarding via customised solutions including Video KYC, eKYC, and e-card issuance ensures seamless customer enrolment.

SBI Card's market share for cards in force (RBI Data)

19.7%

as on March 31, 2023

Cards in force

1.68 crore

as on March 31, 2023

New accounts opened

52.02 lakh

FY2023



Our extensive product portfolio is a testament to our customer-centric approach over the past 25 years. Starting with our first product in 1998, we have added to our range and now offer 30+ products, as of FY2023, to meet the needs and expectations of our customers.

Our focus on providing innovative products and best-in-class services continued over the past year. One of the most significant highlights has been the introduction of the CASHBACK SBI Card, an industry-first and the most comprehensive cashback credit card. The card offers 5% cashback on online spends without any merchant restrictions and 1% cashback on offline spends. CASHBACK SBI Card has been thoughtfully designed to empower customers to avail the Cashback benefits on every purchase, every time, and everywhere. Targeted at customers across all categories, from mass to premium, the card offers a simple, seamless, and completely digital joining experience. The card has been well-received by customers and has become a strong addition to our portfolio.

We collaborated with Punjab & Sind Bank, one of the leading public sector banks in India, to launch three co-branded variants. Under the partnership, three card variants have been launched which will cater to the spending needs of the vast customer base of Punjab & Sind Bank, across mass, mass premium, and premium segments.

Additionally, we partnered with Aditya Birla Finance Limited (ABFL), to launch 'Aditya Birla SBI Card'. The reward-centric credit card has been designed to provide customers with benefits on premium and mass brands under the Aditya Birla Group. The card also offers significant reward points on lifestyle spends across categories like telecom, fashion, travel, entertainment, and many more.



Super Premium



Core Cards



Co-Brand Cards



Corporate Cards



Customer Testimonials

“ I am writing to express my gratitude for the exceptional service provided by your employee, Saurabh. Recently, I had an issue with my SBI Card and Saurabh’s prompt response and quick action to resolve the issue on priority was truly remarkable.

Ms. Parveen Dubey ”

“ I am writing to thank you for the quality of service provided by SBI Card. I sincerely appreciate your efficient, gracious customer service. Thank You for your kindness and for listening to my concerns. It really means a lot to me.

Thanks.

Mr. Yadullah M ”

“ Just had a very good conversation and problem resolution with @SBICard_Connect. Raja Gupta was courteous, patient while explaining the solution to a frantic me and I am very grateful. Thank you Guys! Give Raja a raise.

Dr. Medusa ”

“ Received call from Devendra Yadav one of your social media team member. He talked politely and resolved my problem on call. Thanks a lot to Devendraji as well as Team SBI_Card.

Mr. Jaydeep Dangar ”

“ Thank you so much for giving me a call back, I wanted to share my experience today with Gurmeet Singh, he was very polite and courteous, he first listened to my issue and provided the right guidance to me. Before having conversations with him I was very frustrated, but he answered me.

Mr. Varun Vats ”

“SBI Card Hey. Just got an activation confirmation message from SBI Card. Thank You. I really appreciate your help and understanding of my issue. Means a lot.

Mr. Darshan Chatterjee”

“You guys have solved my problem, so thank you very much, I felt very happy, you guys responded so quickly, thank you very much... her name is Himan, she is very nice, understood me very well.

Mr. Rajendra”

“I just received the refund into my bank account. Thank you very much for chasing this matter up for me and for being very considerate in all our interactions. I am grateful to you and very happy with your service. Please let me know if you'd like me to write a letter to your supervisor acknowledging your helpful service”

Mr. Sandeep Gupta”

“Heartiest congratulations on this 25th milestone anniversary. I have stayed with this ELITE Card granted to self and spouse. I have no complaints and the services are very friendly. I always speak and interact with Team and found them very helpful and responsive. Congratulations to all of you on this day. May I wish you all another glorious innings of 25 years with all success.”

Mr. Vepa Kamesam”

“First of all let me thank you for handling the situation in such a calm way. Thank you for your kind assistance. I would like to appreciate your services and the way it was handled was amazing. Many thanks again for all the support and help. Looking forward to reaching out to you again”

Mr. Anand Bhardwaj”

Leveraging New-Age Technologies

As a leading player of India's digital transition journey, SBI Card adopts sophisticated technology for driving customer centricity and business efficiency. In this pursuit, we continue to explore and leverage the immense possibilities offered by new-age technologies in every sphere of our work.

Digitisation forms the core of our processes and is a vital part of our overall business strategy. Our constant endeavour is to maintain a customer-centric approach while developing and delivering our digitally-enabled product and services. Our strong IT and digital capabilities ensure seamless onboarding of customers, high customer satisfaction, and better outreach, thus ensuring an overall enhanced customer experience.

We offer innovative and customised digital payments solutions in real-time via the use of analytics and predictive solutions. Right from sourcing to decisioning, carding to onboarding, servicing to collections, we have integrated latest tech-led solutions to create a complete digital journey for customers.

Leveraging Potential of AI & RPA

Digital Sourcing & Processing



Digital Customer Servicing



Enhancing Security Posture



Strengthening Infrastructure



OUR DIGITAL STRATEGY:

At SBI Card, we continue to innovate and launch new products and services that cater to the evolving needs of our customers. Our digital strategy plays a critical part in enhancing our ability to innovate and implement new initiatives as well as amplify and strengthen existing assets and capabilities.

Our Digital and IT strategy stands firmly on five pillars which constitute the areas of our focus:

1. Digital Sourcing & Processing:

We see our digital sourcing and processing capabilities as key enablers to our business advancement. We continue to enhance these to ensure a seamless and safe enrolment experience for our customers as well as cost efficient customer acquisition for our business. Towards this end, we have undertaken several initiatives that include the following:

- SBI Card has launched **SBI Card SPRINT** which offers end-to-end digital enrolment and instant e-card issuance to its customers. This initiative is a key step towards digital sourcing wherein we are able to issue instant e-cards to customers within few minutes.
- Several other initiatives have been taken towards digital sourcing like **Account Aggregator Integration** to collect digital surrogate documents. Customer can now share their bank account details digitally by giving consent to the Company. We have undertaken integration with alternate data sources as well to fetch customer information digitally which has facilitated better credit decisions.
- **Digital KYC Ecosystem:** We have ensured end-to-end digitisation of the KYC ecosystem across the life cycle of the customer, enabling users to leverage KYC tools like CKYC, QR code scan, Digi Locker, etc. There are 12 complex functionalities that have been made live in KYC ecosystem at SBI Card.
- **AI-based Photo Match:** We have also implemented a functionality that enables AI-based photo match of the applicant photo provided with the application form and the KYC document ensuring faster processing of the card application.

2. Digital Customer Servicing:

Customer experience is the highest priority for us. To ensure that our customers have an enhanced servicing experience every time they engage with us, we continue to integrate new features into our digital channels including SBI Card mobile application. Our focus in this area has been to increasingly empower our customers so that they have increased access to facilities and quick resolution anywhere, anytime. Some of our latest initiatives in this direction include:

- **Mobile App Revamp:** We have completely rebuilt our mobile app to provide a world-class customer experience with a fresh new look of pre-login pages and the homepage with a long scroll. Customers can now easily navigate and explore new services, footer menu options, personalised offers, and benefits.
- **Expansion of WhatsApp Channel:**
 - Offering all cross-sell products live and customers can now book EMI products on SBI Card's WhatsApp channel in just 4 easy steps
 - Enabled Credit Limit increase and card upgrade functionalities
 - Digitised statement delivery through the WhatsApp channel to customers
- **WhatsApp Live Chat Platform** has been launched recently which enables the applicant to use WhatsApp to chat with the agents at SBI Card's official WhatsApp handle.

3. Enhancing Security Posture:

At SBI Card, our aim has always been to offer convenient, smooth, and safe payments experience to our customers. We continue to strengthen our security framework to achieve this goal. Some of the steps taken in this direction has been as follows:

- **PCI-DSS Certification:** This is a key step towards building advanced security controls to protect cardholder data and maintain a secure payment environment. This certification required the execution of 13 complex IT projects. Key programs delivered under this initiative include VDI (Virtual Desktop Infrastructure) Solution as a Service, Turbine (Data Lake) DB Encryption, Network Segmentation, DB Encryption, FIM (File integrity monitoring) Implementation, and File Encryption.

- **SIM Binding:** SBI Card mobile app is now more secure with the introduction of SIM binding-based authentication of registered mobile number.
- **Strengthening Contact change process:** As per the industry standards, a key step has been taken towards strengthening the contact change process for customers. Now customers can change their mobile number and email Id only via SIM-binded mobile app. This step will be helpful in safeguarding customers against fraudulent activities.
- **RADAR for first online transaction:** Enabled real-time calling to customers on the first online transaction in vernacular languages, thereby preventing fraud loss and improving customer experience.

4. Leveraging Potential of AI & RPA:

We have implemented AI/ML-based models to predict customer behaviour. Some are as follows:

- **Recovery Model:** Leveraging AI/ML Models in the Collections Recovery Process to predict customer's propensity to pay and align the collection workforce accordingly.
- **Self-cure Model:** This model predicts the propensity to pay in early-stage delinquency, resulting in reduced payment collection efforts.
- **Portfolio Model:** This is an ML-based model to ascertain customer behaviour (like spend, risk, and repayment) and leverage score for cross-selling offers and other purposes.
- **Leveraging RPA** to automate internal processes like real-time H blocking of the card and automation of RTO (Return to origin) curing process for undelivered cards.

5. Strengthening Infrastructure:

We have a robust and scalable technology platform that has been designed to complement the pace of our business growth. We continue to strengthen our technology infrastructure to integrate new and best-in-class technologies to ensure future-readiness. Some of our recent enhancements are as follows:

- **DC Migration:** Successfully migrated our complete ecosystem of 75+ Applications to new DC Site STT Datacenter, which is best-in-class, state-of-the-art site in Bengaluru.
- **Project Amplify Phase V:**
 - a. Two new Contact Centre sites have been set up in Noida and Bengaluru with an additional capacity of overall 500 users to cater the increasing call volumes at SBI Card helplines.
 - b. With these two sites, the overall footprint of the Contact Centre has increased to seven sites now.
- **Active-Active Setup for Contact Centre:**
 - a. Contact Center Application has been set up as Active-Active in two datacentres: Bengaluru and Hyderabad.
 - b. Inbound calls are now distributed to both Datacentres. Agent can login to any of these centres and receive calls.
 - c. This functionality will help in the real-time failover of helpline calls to other datacentre in case of any disaster or system issues.
- **ORACLE ZDLRA Augmentation:**
 - a. Successfully augmented capacity in DC ZDLRA and set up equivalent capacity in DR.
 - b. Achieved minimum backup Recovery Point Objective and Recovery Time Objective for business-critical databases.

THINK IT.

**Now get your SBI Credit Card instantly!
Apply through SPRINT – our seamless digital
application process.**



GET IT.



Scan QR Code > Fill Details > Complete Digital KYC > Get Card Instantly*

*T&C Apply

Augmenting Our Operational Efficiency

For increasing overall operational efficiency, SBI Card strives to drive cost optimisation, increase people productivity and leverage technology across the customer lifecycle.

Operational excellence and an enriching customer experience remains a top priority for the Company. Innovation, technology and digital initiatives are fundamental to augmenting and fulfilling our operational goals. Digital transformation helps evaluate hardwired data intelligence with human decision-making. It helps create new opportunities and better understand the customer journey which increases customer loyalty.

By leveraging technology, we have enhanced our capabilities to meet evolving customer demands, including offering personalised products and services, as well as providing secure services across multiple channels. It has also improved processes for our professionals for maximal productivity. Additionally, it has helped us in our risk management processes by providing teams with the right resources to identify, assess, and mitigate the various organisational risks.



Key Initiatives undertaken during the year for driving cost optimisation and enhancing productivity:



Data-driven approaches to enhance customer experience, implementation of proactive servicing through demand deflection initiatives, and contextualisation of available customer data points at the point of customer connect to drive meaningful conversations.



Technology upgrades such as workforce optimisation tools deployed to automate and forecast demand accurately, optimise resource allocation, and improve overall productivity; Certified by COPC for workforce management practices.



Adopting lean management principles to identify and eliminate wasteful processes through continuous improvement initiatives that streamline operations, enhance collaboration, and automate manual processes.

Fortifying Business with Effective Risk Management

We understand the critical importance of effective risk management in ensuring the success of business operations. With this in mind, we have developed a comprehensive risk management framework designed to identify, assess, and mitigate the various risks associated with our activities.



At SBI Card, risk constitutes an inherent part of our business and hence we consider risk management integral to all aspects of our operations. We have a robust risk management framework, based on regulatory guidelines and industry best practices, comprising policies, procedures, activities, and tools that help us identify, assess, control, monitor, mitigate, report on, and govern our risks. Our risk management framework makes use of efficient tools and analytics in order to create insights, which enable us to manage risks within the internal and external organisational context by making sound and informed risk-based decisions.

Our risk management strategy aligns with our broader goals and objectives, including maintaining adequate capital levels, planned earnings, stable credit ratings, better liquidity management, and regulatory assessments. To this end, we have developed a Risk Appetite Statement that outlines quantified and non-quantified risk objectives and thresholds.

To adapt to the volatile business environment, SBI Card has identified the following key risk categories within its businesses. These risks, if material, could impede the Company from fulfilling its strategic goals and objectives. These include both Financial Risks like Credit, Liquidity, Market Strategic, and Concentration Risk etc. and Non-Financial and Operational Risks like Reputational, Compliance, Money Laundering, Bribery and Corruption, Information & Cyber Security, Data, Privacy, Talent, Model, Vendor, Business Continuity and Fraud Risk. We have articulated our risk appetite/tolerance along with suitable controls as well as appropriate monitoring mechanisms and key risk indicators/ thresholds/triggers, and commensurate risk mitigation plans. Risk performance is measured and reported vis-à-vis these thresholds/limits, identified on a periodic basis.

SBI Card allocates key resources to develop policies, systems, and processes to identify, assess, control, monitor, mitigate, report on, and govern its risks on an ongoing basis.



Credit Risk Management

Our credit cards are mostly retail products payable monthly. We assess and monitor a customer's credit portfolio by reviewing their repayment history and outstanding across other card categories.

For our corporate card portfolio, we undertake detailed portfolio monitoring through risk rating models. These models constantly evaluate the portfolio's risk rating to determine risk acceptability, drawdown capability, credit threshold, eligibility, authorisations, loan conversion eligibility and frequency of reviewing risk.

SBI Card has maintained the Capital Adequacy Ratio (CAR) at 23.1% as on March 31, 2023, which is well above the applicable Reserve Bank of India regulatory requirement for NBFCs at 15%.



Information & Cyber Security Risk Management

Our Board-approved Information & Cyber Security Policy has been formulated in line with the relevant regulatory and statutory Information & Cyber Security requirements. To ensure the integrity and security of data, the policy lays down various guidelines including data transfer, data storage, access and cyber security process. We ensure logging and regular reporting of cyber security incidents.

We conduct regular Information Security Practices audits for maintaining strict compliance with regulatory requirements. Our vendors are also required to comply with the Company's Information & Cyber Security Policy and this is monitored on a periodic basis.



Reputation Risk Management

Our dedicated Customer Services team helps address and regulate customer complaints. We are accessible to the customers through various channels, and we also reach out to customers through various modes of communication. We continuously monitor category-wise complaints apart from monitoring the turnaround time for complaint resolution. The turnaround time for the complaint resolution is measured as a key performance indicator for the management of reputation risk.



Regulatory Compliance Risk

As an NBFC, we must adhere to regulatory supervision, and our compliance framework and processes have been designed to guide and support us in ensuring the same. Compliance-related matters are monitored at governance forums during monthly and quarterly meetings.

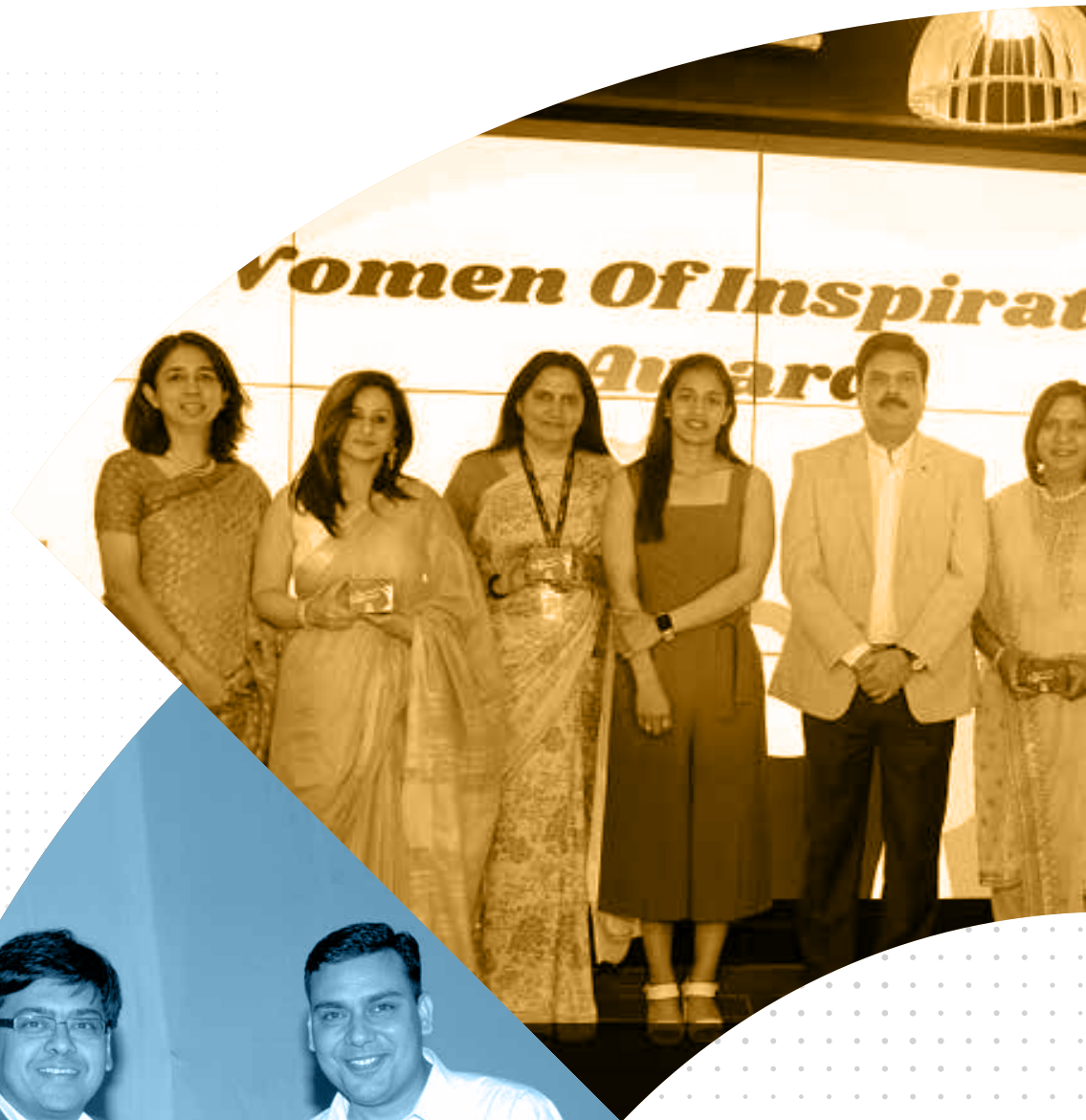


Vendor Risk Management

We engage with multiple vendors for a range of services across geographies. We manage risks arising out of outsourcing which may result in significant financial loss, reputational damage, and/or legal and regulatory issues. SBI Card has accordingly adopted a Vendor Risk Management Policy, containing guidelines on vendor risk management framework. Every vendor/service provider is assessed on the risk assessment matrix and due diligence is ensured to classify the third-party as Critical, High, Medium or Low Risk.

Employees Celebrating Association with SBI Card

Our people share their journey, experience and their best wishes for SBI Card as it completes 25 years of making life simple.





Employee Testimonials

“

It's inspiring to work for a company that wants to do the right thing for its customers and employees. I joined as an associate in Pune, was transferred to Gurugram [due to marriage], and rose to the position of Vice President. The organisation creates a collaborative and supportive workplace that fosters productivity and personal growth.

Anita Monga

Vice President - Security Project
Management Lead
With **SBI Card** for 21+ Years

”

“

If you are a good learner, love challenges, and have a positive attitude, SBI Card is the place for you. I started as a territory manager in 2003 and quickly advanced to become one of the youngest sales manager. I have received incredible support, encouragement, and recognition in my organisation.

Nishant Kalia

Deputy Vice President - Service Delivery (IT)
With **SBI Card** for 20 years

”

“

I have moved and handled different verticals under administration for the last 14 years. Every day at SBI Card is vibrant and dynamic. The organisation has been recognised as a “Great Place to Work,” and truly believes in “Work hard, have fun, and make history.” At SBI Card, the professional journey has been interesting and exciting so far.

Mukesh Mishra

Deputy Vice President - Logistics
With **SBI Card** for 14 years

”

“

I joined SBI Card 7 years ago as Deputy Vice President, responsible for outsourced manpower and infrastructure arrangements for sales and other functions. The organisation has contributed to my personal and professional growth. Professionally, I have received many accolades, awards, and promotions. I hope SBI Card will soon become the preferred card company for customers.

Chakrapani Priyadarshan

Vice President - PSA & NFTE Life
Cycle Management
With **SBI Card** for 7 years

”

“

I am fortunate to have witnessed the company transform from a small joint venture to a listed behemoth. We are encouraged to step out of our comfort zone and take on different responsibilities within the company. We live by our brand values of ‘Act with Integrity’, ‘Respect for All,’ and ‘Lead with Courage.’

Subhash Darekar

Vice President - Zonal Sales Open Market
With **SBI Card** for 19 years

”

“

I've had the privilege to shoulder diverse responsibilities, be led by inspiring leaders, and grow both professionally and personally. I have been a mentee and mentor, each role enriching my perspective on leadership. It is a testament to our Company's culture that you can spend over two decades at a single company and still feel challenged and invigorated every day.

Tarun Sharma

Executive Vice President – Lead Operations
With **SBI Card** for 24 years

”

“ In my 15-year career at SBI Card, I have seen the Company gather pace and momentum year after year. As I transitioned from middle to senior management, I had the opportunity to work with great leaders who honed my professional skills. Today, SBI Card is a brand that inspires trust and fair practices among customers.

Vineet Sharma
Senior Vice President - Collections
With **SBI Card** for 15 years ”

“ I joined SBI Card in 2003 as an Assistant Manager. The organisation provided opportunities that tested my abilities and skills making me more mature, experienced, and skilled in the process. I have received good exposure to all domains in HR at different levels. I hope the organisation continues to evolve and grow.

Vivek Sharma
Senior Vice President - HR Operations & Performance Management
With **SBI Card** for 19 years ”

“ I work with a great team that is dedicated, enthusiastic, passionate and compliant. The collaborative approach ensures rigorous governance and compliance, which has made SBI Card one of the most trusted credit card issuer in the country. As a testimony, the Company has received several prestigious awards and accolades.

Richa Bharadwaj
Vice President - Assurance & Ombuds
With **SBI Card** for 12+ years ”

“ As SBI Card completes 25 years, I feel privileged to have been a part of this journey for the last 21 years. Witnessing SBI Card's growth, evolution, and resilience has been awe-inspiring. The opportunities for personal and professional growth, the supportive work environment, and the collaborative spirit have made this journey truly fulfilling.

Smriti Bijlani
Vice President - Regional Head Collections Field - West • With **SBI Card** for 21 years ”

“ I joined the organisation 20 years ago. Our leaders and senior management enable teams to achieve goals through clear direction and support. They have always supported and motivated me to explore new opportunities. I am extremely grateful to be part of this esteemed organisation. I wish SBI Card another glorious and successful 25 years.

Rupali Bhardwaj
Head Value Servicing – SVP – Customer Services
With **SBI Card** for 20 years ”

“ I started my career with SBI Card as an Associate, and over the years, I have risen to the position of Vice President. This is the best company I have worked for that cares for its employees. During the pandemic, no employee lost their job; on the contrary, the organisation gave increments and promotions. I hope SBI Card achieves the number one position in the credit card business soon.

Abhijit Sen
Vice President – Internal Audit
With **SBI Card** for 24 years ”

“ The work culture of SBI Card is very nurturing. Despite being a fresher, I was given a lot of challenging new opportunities. SBI Card has sponsored my advanced education and provided me a wide array of high-quality courses and trainings which has built both my technical and soft skills. I joined as a Management Trainee in 2020 and am currently working as a manager. This is a testament to the fact that the company values growth and rewards its employees suitably.

Here's wishing SBI Card continued success and many more milestones.

Rakshit Gupta
Manager, Marketing
With **SBI Card** for 3 years ”

25 Years of Being a Responsible Corporate Citizen

Caring for Environment, Society & Governance



SBI Cards and Payment Services Limited is committed to long-term and inclusive growth. Our goal is to promote equitable growth while adhering to the highest professional, legal, and ethical standards. We believe that sustainability is a vital element while developing business plans. Our ESG (Environmental, Social, Governance) activities allow us to contribute to India's progress while also earning the trust of our stakeholders.





Our business operations have always prioritised the growth of all stakeholders. We introduced a formalised strategic and execution ESG framework in 2021 for sustainability.

As we incorporate ESG into our core business operation, our aspiration is to maximise the impact in the areas of PROSPERITY, PEOPLE, and PLANET. We strongly link our ESG initiatives to our governance principles.

Our ESG Credentials

38

Dow Jones

18.2 (Low Risk)

SUSTAINALYTICS

60

CRISIL



Prosperity

We keep our focus on empowering our stakeholders and providing them the opportunity to succeed in the world of digital economy. Our focus is to ensure that our operations abide to our principle of ethical governance.

- Ensure data privacy and security
- Responsible digitalisation/IT deployment and automation
- Robust risk and compliances management



People

We aim to create a workplace and the world around where everyone can progress to their fullest potential. We try to ensure this with our ESG initiatives.

- Engaging with employees
- Promote employee welfare
- Protect consumer's financial interest



Planet

Our motto is to create value for our stakeholders without having any negative impact on our planet. We aim to align our business operations in a direction that meets the need of our customers along with a transition to a low-carbon future.

- Eliminate waste in our operations
- Efficiency in energy use
- Manage our GHG footprint

OUR ESG JOURNEY



SBI Card is dedicated to creating a more inclusive and responsible business that has a positive impact on the world. ESG is central to our business and everything we do, and we will continue to ensure that environmental, social, and governance risks are prioritised and incorporated in our policies and frameworks, to maintain the appropriate level of governance on such issues.

We operate within the framework of sustainable development, recognising the importance of protecting all stakeholders' rights. We believe that it is critical to engage with stakeholders on a regular basis to understand the interests and perspectives of those who are most important to the business. A robust mechanism for identifying and prioritising stakeholders has been adopted and implemented for stakeholder engagement, guided by principles of inclusion, materiality, and responsiveness. Customers, employees, regulatory bodies, suppliers, investors, and shareholders are the primary stakeholder groups. We also intend to strengthen our stakeholder engagement plan, which will serve as a guide for future communications and engagement.

Furthermore, an extensive exercise has been carried out with the assistance of internal and external stakeholders to identify material topics (i.e., ESG priorities). To determine these material priorities, we have undertaken a step-by-step process that began with extensive research and ended with a thorough stakeholder engagement exercise. Based on the understanding of industry performance, leading ESG frameworks, risk and opportunity landscape, and global megatrends, we have identified and listed the ESG priorities for our business operation. The assessment has been carried out in accordance with leading industry framework requirements, with input from internal and external stakeholders.

The material topics are as follows

Material Topic	Category
Energy Consumption	
Waste Reduction & Recycling	
Climate Change	
Colleague Health & Safety	
Employee Learning & Development	
Employee Engagement & Welfare	
Consumer Financial Protection	
Colleague Attraction & Retention	
Inclusion & Diversity	
Risk Management & Compliance	
Responsible Digitalisation	
Responsible Selling Practices	
Business Ethics	
Innovative Technologies and Products	
Data Privacy & Security	
Anti-Corruption & Bribery	

Environmental Social Governance

ESG GOVERNANCE

SBI Card's ESG performance is overseen by CSR and ESG Committee of the Board. Committee meeting occurs every quarter to review sustainability performance. SBI Card also has Business Responsibility & Sustainability Committee comprising of Managing Director & Chief Executive Officer, Chief People Officer, Chief Operating Officer, and Executive Vice President & Head – Open Market & Corporate Sales. SBI Card's Senior Management Team is responsible for implementing strategic initiatives approved by Business Responsibility & Sustainability Committee

and ensuring that social, environmental and governance objectives are considered in business decisions. SBI Card's Sustainability Team is responsible for policy implementation and coordinating with respective functions to execute sustainability initiatives. The core team is a multifunctional team which is responsible for the implementation of sustainability initiatives. The Risk Management Team is responsible for overseeing and integrating ESG risks into ERM.

ESG Policies and Commitments



Environmental

- Code of Conduct guidelines
- Sustainability & Business Responsibility Policy

Environmental Commitment



Social

- Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace
- Corporate Social Responsibility Policy
- Code of Conduct Guidelines
- Sustainability & Business Responsibility Policy
- Grievance Redressal Policy
- Health & Safety Commitment

Internal Policies

- Advance education policy, leave policy
- Equal opportunity policy for transgender people
- Car lease policy
- Performance linked payout



Governance

- Code of Conduct Guidelines for Employees
- Fair Disclosure of UPSI
- Code of Conduct for the Company's Board of Directors and Senior Management Team
- Corporate Governance Code
- Related Party Transactions Policy
- Fair Practice Code
- Vigil Mechanism Policy
- Policy for Determination of Materiality of Events/Information & Disclosure

Internal Policies

- Nomination & Remuneration
- Risk Management
- Compliance Policy
- Fraud Risk Management
- Fit & Proper Criteria for Directors
- Information & Cybersecurity Policy
- Vendor Risk Management Policy
- Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insider and for Fair Disclosure of Unpublished Price Sensitive Information
- Board Diversity
- Organisational Data Privacy Policy

OUR ESG INITIATIVES



- 4.8 lakh trees saved (from FY2018 to FY2023) through paperless communication with customers
- Waste segregation at source and disposal through authorised vendors at all offices
- Rationalisation of plastic items consumption in office premises, especially cafeterias
- Digitised 99%+ vendor payments and outbound customer payments
- Discontinued pet water bottles in office premises to reduce waste and protect environment
- Co-working Spaces in Bhubaneswar, Jaipur, Chandigarh and Lucknow, thereby improving efficiency and reducing wastefulness
- Reducing Greenhouse Gas (GHG) emissions by undertaking energy conservation initiatives
 - About **12% power saving with enhancements in PAC** (Precision Air Conditioning)
- More energy consumption reduction measures like installation of digital timers for electrical appliances like coffee machines, microwaves, etc. for auto cut during non-operational hours, energy efficient ductable units in Delhi/NCR office and replaced old inefficient UPS batteries with new energy efficient ones
- 70% of welcome kits for new customers sent in digital form thereby, reducing paper consumption
- Conserving natural resources by following the "3 R" (Reduce, Reuse, and Recycle) approach to pollution prevention and waste disposal, which includes electronic waste
- Raising awareness about the use of shared vehicles/e-vehicles for commuting, thereby reducing vehicular emissions; over 20% employees in Gurugram enrolled for carpool
- Installation of 'Padcare' Bins to **recycle plastic pads** while ensuring wellness of women; currently covering 34% women population
- Employees volunteered in tree plantation drive at Aravalli's Gurugram in association with Sankalp Taru Foundation



Social

- Assuring equality for all and developing an inclusive, accessible workplace that supports people with disabilities (PwD) by fostering a barrier-free culture that encourages disability inclusion in the workplace
- Launched special education programme for junior employees; Executive Education in collaboration with Management Development Institute Gurugram
- Increased paternity leave from 5 to 7 working days for employees
- Launched Telemedicine app for employees and their family members, offering free medical consultations
- Conducted various wellness webinars on topics covering Ayurveda, Family and Financial Wellbeing
- 1,674+ employees availed Annual Health Checkup benefit to track their physical wellbeing, which is a 30%+ increase from last year
- SBIC's Women network team (AIM) curated and organised Financial Literacy Workshop for women employees

1,674+ employees availed Annual Health Checkup benefit to track their physical wellbeing, which is a 30%+ increase from last year




Governance

- Integrating ESG risk into existing Enterprise Risk Management
- Phishing simulation exercise conducted to help employees recognise, avoid and report potential threats related to data privacy and security
- Added layer of security on SBI Card mobile app by introducing SIM Binding Authentication feature
- To improve SBI Card's strength as cyber resilient organisation, conducted 2 drills of Cyber Simulation exercise for senior management and key stakeholders as part of our ongoing efforts
- Accomplished key changes required per RBI Master Direction Compliance on Debit & Credit card issuance
- 100% coverage in annual refresher virtual training on –
 - Code of Conduct
 - Anti-Money Laundering
 - Prevention of Sexual Harassment (POSH) at workplace for Employees
 - Treating Customers Fairly
 - Competitor Contact Training
 - Improper Payments
- Regular interaction sessions for employees to connect with Compliance Leader to emphasise on business ethics, create awareness on code conduct and receive feedback, if any
- Conducted Vigilance Awareness Week to engage and educate employees through sessions, activities, etc. covering all aspects of Code of Conduct
- Strengthened instant card issuance and journey for customers
- Vendor Onboarding and Risk Management tool implemented to minimise risk exposure
- To enhance customer experience, added Hindi Translation feature on most visited SBI Card website pages
- Integration with YONO mobile app, thus increasing digital sourcing from SBI
 - Digitally-enabled process to fetch customer's KYC via DigiLocker channel
 - More self-service features on the website, mobile app and expansion of the WhatsApp channel
 - Integration of information from alternate data sources like utility bills, etc. for more efficient credit decisions
 - Added security features on contact change process on Digital Channels

OUR ESG ASPIRATIONS

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- Annual Sustainability Report to disclose our progress on ESG Goals
- Complete Product Lifecycle Assessment in FY2024 for a deeper study on the environment impact, and thereby strengthening our strategy to reduce our product's ecological footprint
- Develop Carbon Calculator for employees and customers as an effort to raise awareness and increase consciousness in 3 areas: home energy consumption, transportation and waste
- Envision to create sustainable infrastructure by considering Green Buildings criteria for new office building selection
- Implementing best environmental practices, such as establishing an environmental management system, which ensures that an organisation has a set of processes and practices in place that allow it to reduce its environmental impact while increasing its operational efficiency
- GHG Inventorisation Process including calculations of Scope 1, 2 and 3 emissions and regular monitoring as an effort to control emissions

S

- Becoming a signatory to UNGC by integrating the UN Global Compact's 10 principles into strategies, policies, and procedures to meet fundamental responsibilities in the areas of human rights, labour, the environment, and anti-corruption
- Envisioning an inclusive work environment for every employee including a step forward towards ensuring PwD-friendly space in the office in lines with the Equal Opportunity Policy as per PwD Act 2016

G

- By outlining climatic risks and aligning them with mitigation strategies in the Enterprise Risk Management (ERM) to prepare for any future environmental issues
- Raising awareness among relevant suppliers about ESG material issues to ensure sustainable procurement, as well as enhancing supplier evaluation criteria for vendor selection by integrating ESG parameters

CSR @ SBI CARD

At SBI Card, we are committed to transforming the lives of people and communities in need through our social initiatives. Our CSR initiatives are aligned with identified CSR focus areas that are designed and implemented in consultation with the relevant stakeholders, aiming at improving living conditions, promoting social development, addressing environmental concerns, and addressing social inequalities.



VISION

The Company's CSR vision is for an inclusive society where everybody has access to opportunities, financial security, and quality life.

MISSION

The Company's CSR mission is to be a significant contributor in India's growth story, by undertaking innovative, technology-driven, and impactful CSR programmes with underprivileged communities.

The Company has undertaken CSR projects in alignment with Schedule VII of the Companies Act, 2013 and has selected the following focus areas for CSR interventions:



Healthcare



Skill Development



Environment



Education

CSR @ SBI CARD

**Focus Area: Healthcare**

With a holistic approach to healthcare initiatives, SBI Card has intervened in improving the infrastructure of medical facilities and impacted lives through initiatives such as primary and critical medical healthcare services, mother and child hospitals, treatment of congenital heart diseases, mental health and wellbeing. SBI Card's initiatives have improved the capacities of government and charitable hospitals, which has ultimately improved the accessibility and availability of healthcare services for marginalised communities who cannot afford such expensive medical treatments which can have serious consequences and affects their lives.

**Focus Area: Education**

SBI Card's initiatives in education is in alignment with the development trends which has seen various technological advancement not just in physical infrastructure but also in its pedagogy. The Company promotes digital infrastructure through developing digital classrooms and tinkering labs in the government schools, which gives practical exposure to students in new era technologies and evolving information, SBI Card ensures a conscious commitment in building expressive autonomy in learning and making education accessible to the low-income community children with an aim to prepare the citizens of tomorrow.

**Focus Area: Skill Development**

SBI Card focusses on creating a pool of skilled workforce through its initiatives that provide skilling opportunities to youth, women, and people with disabilities. SBI Card aims at providing the necessary relevant skills and knowledge through its vocational training initiatives that are ultimately the driving forces of economic growth and social development.

**Focus Area: Environment**

SBI Card is committed towards sustainable environment. We have been focussing on Renewable Energy, Plastic and Solid waste management, Carbon footprint reduction, and Environmental education awareness programmes to create a positive impact on the environment based on the specific needs of the geographic location. To achieve this, we are focussed on enhancing waste management systems, improve air quality through large scale tree plantation, promoting alternate and sustainable farming practices, investing in renewable energy, and providing water harvesting facilities in both urban and rural areas.

Impact Numbers

37.98 crore

Invested towards our commitment to CSR in FY2023

Approx.

29,000 lives

impacted through education and skill development

Approx.

1,800 tonnes

of waste per month avoided from being burnt, littered, and dumped in landfill and water bodies

Approx.

2,45,000 lives

impacted through healthcare and disaster management projects

CSR @ SBI CARD

Flagship initiative of SBI Card Project MASS - Mantra for Advance Sustainable Solution

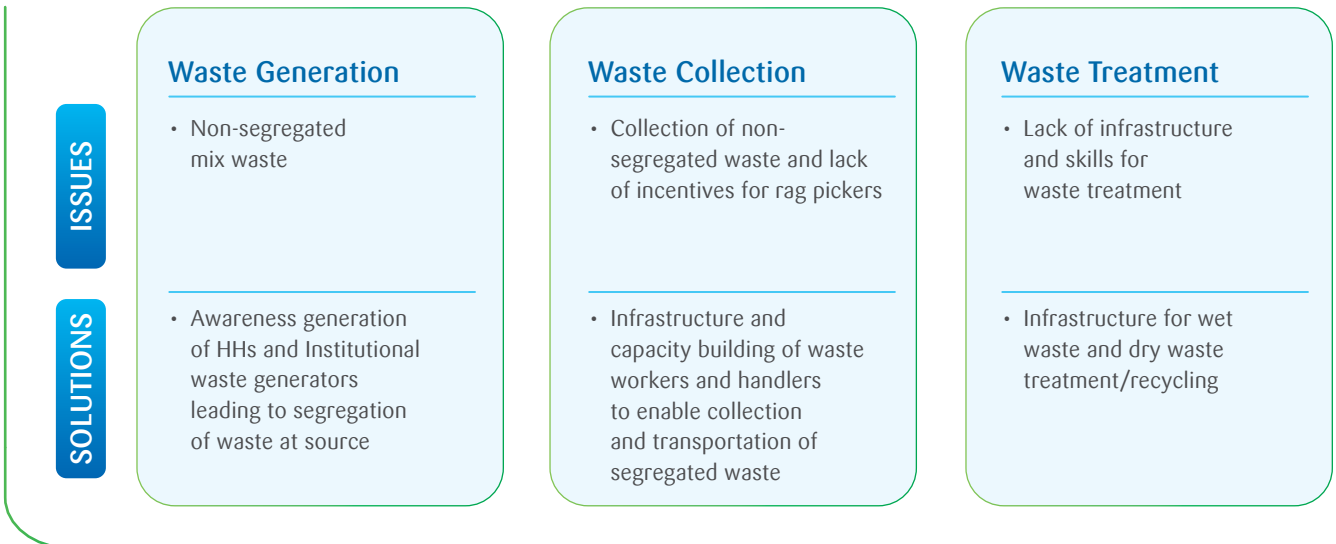
The project initiated with an aim to add value to non-commercial low-grade plastic waste along with motivating and educating waste workers to collect and segregate plastic waste efficiently.

Background : In 2021, the Company initiated pilot project (Phase 1) for developing infrastructure for segregation and recycling of plastic waste with Indian Pollution Control Association in collaboration with two ULBs.

Under Phase 1, one MRF of 2 TPD capacity and one PRF of 30 MT capacity was developed. These facilities catered to only plastic waste.

Phase 2, initiated in January 2022, under which 2 MRF of TPD each and one Solid waste MRF of 10 TPD were developed. These facilities catered to both dry and wet waste.

Phase 3, commenced in February 2023 under which one MRF of 50 TPD to manage solid waste is being set up in Ghaziabad along with 100 organic waste composters in 25 RWAs.



Issues and Solutions for Solid Waste Management
 Project MASS addresses the key issues in solid waste management by providing a sustainable solution to the growing problem of waste management by developing a sustainable supply chain for recycling of low-grade single use plastic.

CSR @ SBI CARD

SPECIFIC IMPACT OF FLAGSHIP PROJECT

Environmental Impact

3,454 metric tonnes of waste has been recycled throughout the project duration by the PRF.

The CSR initiative saved 6 m² area of landfills annually and during next 15 years can potentially save about 90 m² area.

The project has resulted in a 57.56 tonnes/year reduction in Greenhouse gas emissions.

The initiatives caters to two major sources of emissions arising out of poor management of solid waste i.e. Landfill gases and open-air burning.

Social Impact

About 46 metric tonnes of waste is catered to in a single day, reducing plastic waste, improving aesthetics of the city.

Reached more than 15,000 households. Thereby, changing the behaviour of consumers on source segregation.

Awareness activities, FM campaigns and Capacity Building workshops, have been organised for creating awareness of the best practices to handle the waste among households as well as waste workers. The initiative has reduced exposure of waste workers to health-related hazards.

Income enhancement of ₹ 5,000-6,000 for waste workers under the programme.

Economic Impact

Employment Generation - About 91 direct regular jobs created. It is projected that around 100 more people will be employed in MASS.

Created a new industry for plastic waste by developing household products from recycled plastic waste, providing income opportunities to multiple stakeholders in value chain.

Recycling puts the plastic waste in the circular economy. 36,201 sheets have been produced till March 2023.

Through sustainable supply chain, waste collectors are getting extra income by selling their collected waste to the project team at MRFs. It has enhanced the income of the ragpickers from daily wages of ₹ 100 before the project to ₹ 250 at present.

Under this project, approx. 3.5 lakh Tonnes of solid waste will be managed in next 10 years.

CSR @ SBI CARD

Inspirational Stories

Sri Sathya Sai Health and Education Trust

Poverty, education and lack of access to quality mother and childcare facility are few of the biggest challenges that rural population is currently facing. The situation is leading towards maternal and infant deaths. SBI Card as a responsible corporate, provided necessary advanced equipment to the Mother and Childcare unit of Sri Sathya Sai Sanjeevani Hospital that provided access to quality mother and childcare facility to the rural community residing in and around Palwal, Haryana.

Rajini, w/o Gopi Chand is one of the beneficiaries of this project, she belongs to an underprivileged family and was

expecting their child with severe medical condition which could have led to a mishapening. The team of Sri Sathya Sai Sanjeevani Hospital took care of her during antenatal period and did all relevant investigations and procedures with the help of modern medical equipment provided by SBI Card.

Rajini said – “We are very poor and because of lack of money we are not able to find a good treatment finally someone referred us to the Sri Sathya Sai Sanjeevani Hospital where we got free treatment and free surgery. We thank the entire team of Sri Sathya



Sai Sanjeevani Hospital and extend heartfelt gratitude to SBI Card for providing huge support in setting up Mother & Child unit in the Hospital. Without your support, I don't know what would have happened. Your assistance has been invaluable in saving the life of a mother and a newborn.”



Smile Foundation

Smile on Wheels project supported by SBI Card operating in Agra, Agra Rural, Delhi, Gurugram and Nuh. The initiative has helped many people from underprivileged community through free medical healthcare facility at their doorstep.

Krishna, one of the beneficiaries of this project who lives at Nanda ka Nagla village, Agra. She shares her story and acknowledges SBI Card's support. She lives with her husband and four children.

During lockdown, her husband lost his job and since then he is working as a daily wage worker outside the State. The money provided by her husband was not enough to manage the regular expenses and meeting the burden of healthcare expenses was beyond imagination. Due to lack of healthcare facility at the village she was mostly dependent on private clinics located in the nearest towns, which was very costly. Krishna came to know about Smile on Wheels ('SoW') project and availed the service.

She was extremely happy with the free services provided by SoW. She stated "This project is a ray of hope as it provides free, doorstep healthcare facilities for the underprivileged which is very much accessible. After getting treatment from SoW, the health of my son improved. SoW provided quality diagnosis and provided free medication along with follow-up consultations. Honestly, I couldn't have asked for better healthcare services."

CSR @ SBI CARD



Centre for Autism and Other Disabilities Rehabilitation Research and Education

Studies show that most of the individuals on the Autism spectrum are unable to find meaningful employment. In fact, the autistic young adults face significant and additional challenges to employment beyond those faced by other groups of people with disabilities.

Employability Training Program ('ETP') for Young Adults with Autism supported by SBI Card is a programme that equips

young adults on the Autism spectrum, who have finished their higher secondary school education with the skills required for employment.

Rohit attended ETP and was recruited as a paid intern for 3 months at Ernst & Young Trivandrum after completing his training. He started working two days onsite at EY and three days at CADRRE, the implementing partner. Seeing the performance, EY extended his internship to another 3 months.

English translation of a quote from Rohit's father:

"I never thought he would be able to do a job and he could manage on his own. Today, I am so proud of him, I don't see anything I endured for him as a sacrifice, I am his father after all. A big thanks to SBI Card for supporting children with autism and integrating them with regular workforce."



NOIDA Deaf Society

Sweety Mishra was born deaf. Her father passed away due to prolonged illness. After her father's death, her family faced financial crisis, it was difficult for her mother to make the ends meet with Sweety and her four siblings relying on her.

Sweety did her schooling from a deaf School in Delhi but did not have suitable skills. She got to know about SBI Card skilling programme and visited NDS

centre to get herself enrolled for training programmes. She learned ISL, English communication, basic computer literacy and also underwent pre-employment trainings.

Soon after completing the courses, she was assisted by providing the opportunity as well as interpreting services throughout interview process at Shoppers Stop. She cleared the interview and started working there as

a customer care associate. She is now happy that she can support and take care of her family. She is grateful for all the support that she received from NDS and SBI Card.

She says "I am thankful to NDS and SBI Card for helping me to end my struggle. Had I not got this opportunity, it would have become very difficult for me to sustain and support daily needs of my family."

CSR @ SBI CARD



Tarun Bharat Sangh

Jamsheda, age: 33 was facing challenge with lack of irrigation facility, she used to wait for long hours to irrigate her farmland. Not only her but the whole village used to wait for electricity to pump out water from the well. The frequent power outage would extend the waiting time for people like Jamsheda who rely on these electricity operated pumps only. With such conditions, they often think that they should quit agriculture, which is the sole income source for them.

To address the issue faced by people like Jamsheda, SBI Card launched a project called “Ensuring sustainable water security for rural communities”

in partnership with Tarun Bharat Sangh. The project envisages water security for drinking and irrigation for sustainable development and livelihood generation. Under this project, water sprinklers were provided to the beneficiaries which significantly helped them save time and money. These sprinklers can irrigate a large patch of land in shorter time.

Jamsheda says “Earlier, we had to think of our daily food as we didn’t have sufficient income. Today, after associating with the project, we have way better agricultural output, and we are selling better than before.”

Management Discussion & Analysis Report

/// The Indian economy and the financial sector stand out as strong and resilient in a world of unprecedented headwinds and swift cross currents. The country is clocking strong growth across a broad range of sectors, driven by consumption demand and capital expenditure. Nevertheless, due to the drag from net external demand and concerns about contagion of financial turbulence from the global economy, growth is projected to moderate in the year ahead.

MACRO-ECONOMIC ENVIRONMENT

The RBI governor recounted in the June 2023 monetary and credit policy that unlike the previous three tumultuous years, the uncertainty on the horizon appears lesser and the path ahead somewhat clearer; but the geopolitical conflict continues unabated and policy normalisation globally is far from complete. Headline inflation across countries is on a downward trajectory but is still high and above the targets. Labour markets are tight, and demand is rotating back from goods to services.

Hence, central banks across the world remain on high alert and watchful of the evolving conditions, even though many of them have tempered their rate hikes or taken a pause. Financial stability concerns persist in advanced economies, although they appear to have been contained due to resolute actions. Retrenchment in trade, technology and capital flows caused by geopolitical fault lines and economic fragmentation further complicate the situation.

In these challenging times, domestic macroeconomic fundamentals are strengthening – economic activity is exhibiting resilience; inflation has moderated; the current account deficit has narrowed; and foreign exchange reserves are comfortable. Fiscal consolidation is also ongoing. The Indian banking system remains stable and resilient, credit growth is robust and domestic financial markets have evolved in an orderly manner, according to the Monetary Policy Committee (MPC). However, taking into account the headwinds from weak external demand, volatility in global financial markets, protracted geopolitical tensions and intensity of El Niño impact, the RBI projects the real GDP growth for 2023-24 at 6.5%.

Source: RBI MPC – 8 June 2023

OUTLOOK FOR FISCAL 2023

Looking ahead, the RBI MPC expects that the higher rabi production will improve the prospects for the agriculture sector and rural demand. At the same time, the steady growth

in contact-intensive services is likely to drive urban demand. If these impulses play out, the consumption story will continue to power India's growth.

Manufacturing and investment activity are also expected to provide a strong thrust to growth with the government's focus on capital expenditure and capacity utilisation reaching above its long-period average. Moderating commodity prices are also providing tailwinds.

The only concern is the global headwinds which could impact the Indian economy through a drag from net external demand. The drawn-out geopolitical tensions and global financial market volatility could pose downside risks to the otherwise sanguine outlook for India's economy. The central bank cautioned that rising uncertainty in international financial markets and imported inflation pressures will need to be monitored closely.

RBI's GDP growth projection for India

6.5%

in 2023-24

Total card base of SBI Card

1.68 crore

as of March 2023

SBI Card's share of cards in force

19.7%

in India

Management Discussion & Analysis Report

Due to all these factors, the overall outlook remains dynamic and fast evolving, according to the MPC. It stated that even as monetary policy moved decisively to withdrawal of accommodation, financial conditions would evolve in line with the productive requirements of the economy.

Balancing all these positive and negative risks to growth, the RBI predicted a real GDP growth of 6.5% for 2023-24.

INDUSTRY DEVELOPMENTS

The payments industry continues to experience rapid expansion. The industry has witnessed increased and renewed activity not only from established financial institutions, but also from a multitude of fintech players which have been launching and introducing innovative products, enhanced customer engagement and service delivery, backed by aggressive business models. Credit card as a product has also gained acceptance and continues to be popular amongst consumers.

During the year, credit card industry has seen changes owing to new guidelines under RBI's Master Direction on "Debit and Credit Card Issuance and Conduct Directions, 2022" released on April 21, 2022. Guidelines issued by RBI are progressive and beneficial, as these are focussed on cardholder's convenience and protection. These guidelines impacted credit card industry in short term but the long-term initiatives taken by industry players would minimise this impact.

- As per the mandate in RBI Circular, credit cards that have remained unused for a period exceeding one year are to be closed if the customers do not respond to closure notification within 30 days. This has been implemented from July 2022. Another guideline applicable on newly sourced credit cards, which has been implemented from October 1, 2022, which directs that issuers have to close the card if a cardholder has not activated the credit card within a month. Implementation of these guidelines resulted in the closure of more than 3 million credit cards for the industry as per RBI credit card data.
- RBI Mandate also mentions that credit limit as sanctioned by issuer should not be breached without seeking explicit consent from the cardholder. This has been implemented live from October 2022. This change is similar to online transactions switching activation which was implemented earlier. As we have seen in the case of online transactions, we expect that the change in overlimit may stabilise over a period of time. There was a change in late fee levy norms with introduction of three days grace period and non-capitalisation of fees and charges with respect to levy of finance charges as mandated by RBI.

During the last financial year, there was a key development which not only impacted the business model of some of the newer players in the Fintech space but also forced established large players to review their business models. RBI with Master Directions on Prepaid Payment Instruments asked non-bank PPI



issuers to stop practice of loading wallets and cards from credit lines or pre-set borrowing limits. The BNPL (Buy Now, Pay Later) industry has been impacted by the RBI's revisions to the Master Directions on Prepaid Payment Instruments (July 2021), which prohibits non-banks from loading prepaid instruments (digital wallets or stored-value cards) with credit limits. It resulted in BNPL players collaborating with Banks/NBFCs to launch digital lending products. With the industry adapting to these new directives, it is expected that innovation, and consumer-centric practices would increasingly play a central role in industry's growth.

Despite all these recent developments, the growth story of Indian credit cards industry is intact as the market remains largely underpenetrated. As per RBI industry reports, the number of credit cards in circulation in India stands at **8.5 crore** as on March 2023, growing by **16% YoY**. Spends on credit cards for FY2023 stand at ₹ **14,33,029 crore**, a growth of 47% from the previous year. There are **78 lakh** PoS terminals as on March 2023, growing by **28% YoY**. The number of BQR terminals stands at 61 lakh, as of March 2023, growing by **24% YoY**. Significant growth of PoS and BQR terminals enables usage at touchpoints which in turn creates a strong positive momentum for the industry.

The Company is the second-largest credit card issuer in India in terms of cards in force and spends. The Company has a total card base of **1.68 crore** as of March 2023, which is **22%** higher than the previous year. Cards in force market share is at 19.7%, as of March 2023. The Company's spends stand at ₹ **2,62,498 crore**, registering **41% growth** from FY2022. The Company's market share in spends stands at 18.2% for FY2023.

OPPORTUNITIES

India's credit card industry has seen a healthy growth over the years, still the market remains largely underpenetrated. The average card ownership is 5 for every 100, compared to 177 in Brazil, 57 in China, 69 in Australia, 88 in UK, 228 in South Korea and 325 in the USA (Source: BIS Data as of end of 2021 updated in March 2023). Hence, there is a tremendous scope for credit card adoption and usage in India and an enormous growth potential for credit card players. Outlined below are some of the enablers which will help the industry to grow at a robust pace:

1. Payment Infrastructure

- Acceptance infrastructure inclusive of PoS and BQR terminals has seen growth of 26% YoY in FY2023 over FY2022, and initiatives like the Acceptance Development Fund set up in 2020 are further expected to aid this growth (Source: RBI Payment system indicators report March 2023).

/// **The Company is the second-largest credit card issuer in India in terms of cards in force and spends. The Company has a total card base of 1.68 crore as of March 2023, which is 22% higher than the previous year.**

- QR code-based acceptance is gaining ground and is growing at par with growth in POS terminals.
- RBI has allowed RuPay credit cards to be used at UPI merchants. This presents an opportunity to tap into the P2M small ticket size transactions being transacted through credit cards and in further growing the credit card spends.
- Payments Infrastructure Development Fund (PIDF) has been operationalised by RBI to increase penetration of acquiring devices across the country.
- Credit on UPI is likely to replace customer's usage of account balance and is expected to become a stepping stone for upgrading to a credit card.

2. Consumer Behaviour

- The digitisation in payments has increased significantly. Retail digital payments up to 89% in FY2023 vs. 45% in FY2015 (Source: RBI and NPCI payments system data, March 2023).
- Digital customer acquisition has been increasing as end-to-end digital experience is gaining customer acceptance with increasing penetration of smartphones.
- Credit acceptance is also growing; Retail credit in form of personal loans have grown by 15% CAGR for the 3-year period, as on March 2023 (Source: RBI Bank credit data).
- The consumer spending on e-commerce platforms has also been increasing. The e-commerce market is estimated to reach around ₹ 15,600 billion by 2025 from ₹ 6,190 billion in 2022. By 2030 it is expected to reach ₹ 28,960 billion (Source: IBEF Report Feb 2023).
- With increasing adoption and usage, new avenues for credit cards payments are emerging such as categories like education, utility payments, health & fitness, tax payments (direct & indirect taxes including GST), etc.

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Threats

In the credit category, new opportunities and challenges have emerged. Digital lending is gaining renewed attention in a significant way. Industry has witnessed a proliferation of new-age players, particularly online e-commerce companies offering pre-approved short-term credit to their existing customers and BNPL companies are targeting new market segments. BNPL players are collaborating with banks and NBFCs to provide comprehensive banking services and are redefining financial activities. Post-RBI ban on prepaid card lending, BNPL companies are partnering with banks and non-bank financial institutions to launch digital lending products. RBI has also allowed banks to transfer pre-approved credit lines through the UPI network. This measure will allow UPI services to resemble credit cards and provide low-value credit to nearly 30 crore users of UPI's various payment platforms. At the same time, will enable banks to structure loans like credit cards. Private lenders, who perceived little value in promoting UPI, could become more active as they have the opportunity to expand their loan portfolio. Credit on UPI and BNPL, which is readily accessible to customers, may influence their credit card activity.

The Indian Government continues to encourage and promote the adoption of digital payments. UPI, an alternative payment mechanism, is the biggest beneficiary on account of ease of use and static password process. Availability of multiple UPI platforms has further increased the adoption of this payment option as they continue to develop and build new use cases. UPI has, hence, grown at a rapid pace vis-à-vis other payment mechanisms. Around 22% of UPI spends are merchant payments, while the remaining are P2P payments. Enabling transactions on RuPay credit card for merchants on UPI platform opens up additional categories and can give a significant boost to credit card spends through small ticket-size payments.

The impact of these initiatives on credit cards is still to be ascertained, and the Company will need to keep a close watch on the situation in order to analyse and take actions as and when required.

Risks and Concerns

Throughout FY2023, the external environment has been volatile. The concerns of a global slow down, rising interest rate scenario, continuing geo-political tensions, regulatory changes for credit card companies, and digital lending guidelines, have continued to impact the operations of the Company. The Company has been addressing the impact of these in an agile and proactive manner. The Company continues to be watchful of the dynamic environment and is determined to ensure profitable growth.

With an increase in the number of cybersecurity incidents of data thefts and financial frauds in the banking and financial sector, the Company has given top-most priority to strengthening

its information and cybersecurity framework across people, processes, and technology within the Company. All customer and organisational data, along with information assets, are protected with multi-layered security. The Company is equipped to prevent, detect, withstand, and respond to cybersecurity attacks or insider threats with security controls implemented across layers (Security awareness, IT network, system, and applications). The Company remains in complete compliance with RBI's cybersecurity mandate for NBFCs.

BUSINESS OVERVIEW

Card Acquisition

Company sourced 52.0 lakh new accounts in FY2023 compared to 35.7 lakh in FY2022. The cards in force have increased to 1.68 crore as on March 2023 compared to 1.38 crore cards as of March 2022 with 22% YoY growth. The Company has started sourcing the customers digitally and the share is increasing. This method offers quick and easy delivery of cards to customers.

SBI Channel: The Company sourced 23.5 lakh new accounts from SBI channel with a YoY growth of 41%. The composition of cards in force from SBI channel stands at 42% in FY2023.

New Product Launches

- **CASHBACK SBI Card:** The Company has introduced industry's first cashback-focussed credit card that enables cardholders to earn up to 5% cashback on all online spends. Targeted at customers across all categories, from mass to premium, the card offers a simple, seamless, and completely digital joining experience, rewarding the customers through cashbacks for their spends for offline and online spends.
- **Aditya Birla SBI Card:** The Company has partnered with Aditya Birla Finance Ltd. (ABFL), to launch 'Aditya Birla SBI Card'. The reward-centric credit card has been designed to provide customers with benefits on premium and mass brands under the Aditya Birla Group.
- **PSB SBI Card:** The Company has also partnered with Punjab & Sind Bank, one of the leading public sector banks in India to launch three card variants - PSB SBI Card ELITE, PSB SBI Card PRIME, and PSB SimplySAVE SBI Card. These variants will cater to the spending needs of customers of Punjab and Sind Bank, across mass, mass premium and premium segments.

Spends and Engagement

- The Company has maintained its robust growth momentum in spends. Retail spends for FY2023 were at ₹ 2,06,465 crore, demonstrating a YoY growth of 41%.

- The Company has maintained its robust growth momentum in Corporate Card Business; Corporate spends for FY2023 have been at ₹ 56,034 crore demonstrating a YoY growth of 40% over FY2022.
- The Company has also introduced EMI offers with merchants in various consumer categories for both online and in-store spends.
- The Company has continued to leverage on growing significance of online purchases, as 57% of retail spends during the year have been made online.

Brand

The Company sustained the highest top-of-mind awareness and 100% total awareness in the category, as per the annual Brand Track Survey commissioned by the Company and conducted by Kantar IMRB in Q1FY2023. This year, advertising focus has been on driving customer acquisition and higher spends on cards. The launch of power-packed CASHBACK SBI Card by the Company was promoted widely through TV and digital media. Our digital application process SBI Card SPRINT has been launched through a print ad campaign in leading national and regional dailies. We continued our efforts in augmenting awareness of Aurum, our super premium offering, through selective and targeted outdoor advertising. In FY2023, the Company has also rolled out special offers on Akshaya Tithiya through print media, covering top eight metros which have been further amplified by ads in regional publications across 14 states. The brand salience has been further augmented through the ongoing retail kiosks programme, with presence in over 100 cities. This has helped enhance the brand visibility at the point of sale in addition to supporting customer acquisition efforts.

The Company has been recognised as 'Reader's Digest Trusted Brand 2022' in the credit card category for the 14th time. The Company has also been honoured with the 'ET Best Brand 2022' award in the credit cards category for the year 2022.

// The Company sustained the highest top-of-mind awareness and 100% total awareness in the category, as per the annual Brand Track Survey commissioned by the Company and conducted by Kantar IMRB in Q1FY2023.

DIGITAL PLATFORMS

Mobile App:

- The Company's mobile application can be downloaded both on Play Store and App Store. It continues to be a preferred self-service digital channel for our customers. The app recorded 1.29 crore active app installations with app ratings at 4.5/5.0 on Play Store and 4.6/5.0 on App Store in FY2023. The app has over 100+ features for self-servicing, cross-sell and insurance on the platform and has recorded over 73.9 crore+ logins in FY2023.
- Several key features and upgrades have been added to the app in FY2023 in order to enhance customer experience, increase engagement, strengthen security, and simplify servicing. Some of the key implementations include – revamping the customer journey for cross-sell products, introduction of overlimit consent switch facility, enabling voluntary card closure journey, Digilocker integration for digital KYC in contact and residence address change for the convenience of cardholders and SIM binding Process for enhanced security.

Website:

- The Company's website continues to be highly visited with over 10 crore visitors in FY2023. The website channels have multiple features for self-servicing, cross-sell, and insurance on the platform.
- The Company's website continues to integrate new features and enhance customer experience. Key implementations during the year include:
 - Digilocker integration for digital KYC in contact and residence address change.
 - Introduction of overlimit consent switch facility.
 - Enabling voluntary card closure journey.
 - Enhancing website account security through changes to the login mechanisms and password policies.
 - Enhanced features for tracking of credit card application.

WhatsApp:

- The Company's WhatsApp Connect service was launched in August 2020 with an objective of providing another self-service channel to our cardholders. During FY2023, ~ 16 lakh unique customers have been active on the platform and ~ 35.1 lakh opt-ins have been received. To increase usage of the platform and to enhance customer engagement, several features have been added during the financial year, viz. – Flexipay booking process on WhatsApp, and

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website redirections for eligible customers for products like Encash, Balance Transfer and Card Upgrade.

- Other features available on the platform include - checking account summary, outstanding balance, payment support, rewards enquiry, block and reissue credit card, download statement etc.

Ask ILA:

- Our chatbot "Ask ILA" seamlessly integrates with our mobile App and website and is an important self-service channel with over 2.2 crore total logins during FY2023. The platform has addressed over 7.7 crore customer queries during the year. Several new features were added to Ask ILA in the last financial year to enhance customer experience, engagement, security and increase transactions. Some of the key features include – enabling OTP on international number, changes to password policy for enhanced security and change in logic for Spend Analyser, among others.

Digital and Social Media Initiatives

- The Company's social media presence across platforms (Facebook, Twitter, Instagram, YouTube, and LinkedIn) reached 21 lakh+ followers/subscribers during FY2023. The Company has run various campaigns on these platforms to engage with the users through contextual posts, videos, carousels etc. with key focus on offers, digital self-service channels, and topical/moment marketing etc. CSR initiatives and fraud awareness related content have also been shared on these social media channels.
- The Company has also executed digital media campaigns spanning new product launches, portfolio offers and cross-sell campaign promotions in FY2023 to reach an audience of 122 million. These digital campaigns have been amplified through a media mix of OTT platforms, e-commerce portals and publisher networks.

RISK MANAGEMENT

For the Company, risk constitutes an inherent part of its business and, hence, the Company considers risk management integral to all aspects of its operations. The Company has a robust risk management framework, based on regulatory guidelines and industry best practices, comprising policies, procedures, activities, and tools that help it identify, assess, control, monitor, mitigate, report on, and govern risks. The Company's risk management framework makes use of efficient tools and analytics in order to create insights, which enable its senior management to manage risks within the internal and external organisational context by making sound and informed risk-based decisions.

The risk management process is subjected to periodic review to deliver assurance that it remains appropriate and effective, aligned with the emerging risks. The Risk Management Framework supports a sound system of internal control, contributes to effective corporate governance, and assists in fulfilling risk reporting requirements.

The risk management process involves a series of actions designed to reduce or eliminate potential losses, which emanate from known or unknown risks. Accordingly, a risk management framework has been implemented to enable the identification, assessment, aggregation, and reporting of risks prevailing in the processes.

The Board, along with its various committees, is responsible for overall corporate governance. The Board of Directors is responsible for approving and reviewing policies and strategic issues, which are crucial for the organisation's overall growth and development and achievement of its strategic and business goals. Board-designated committees, namely, Risk Management Committee of Board (RMCB), Audit Committee of Board (ACB), Stakeholder Relationship and Customer Experience Committee of the Board, IT Strategy Committee and various internal committees, including Enterprise Risk Management Committee (ERMC), Operational Risk Management Committee (ORMC), Vendor Risk Management Committee (VRMC) Compliance Review Committee (CRC), Information Security Committee (ISC) and New Product Introduction Committee (NPIC) are in place for monitoring business performance and monitoring and management of various risks.

The major risks faced by the Company are credit risk, operational risk, liquidity risk, regulatory risk, reputation risk, strategic risk and vendor risk. The Company has formulated various policies, including Risk Management Policy, Compliance Policy, Credit Risk Policy, Collection Policy, Fraud Risk Management Policy, Vendor Risk Management Policy, Information and Cyber Security Policy etc., to delineate comprehensive architecture for managing these risks prudently. The Company has adopted qualitative and quantitative parameters to assess the materiality of risks to be included in our risk universe. This risk universe is reviewed and updated annually. The Board-approved Risk Management Policy provides guidance to the management on the desired level of risk for various types of risks and helps steer critical portfolio and strategic decisions. The Company has a Risk Appetite Statement that consists of all the Key Risk Indicators and their performance is reported to ERMC monthly.

- **Credit Risk:** Credit risk is the risk of a financial loss if the customer fails to meet their contractual obligations. Being a credit card Company with retail and corporate portfolio being the earning assets, credit risk arises from all transactions that give rise to actual, contingent, or potential claims against any borrower. The goal of

credit risk management is to maintain asset quality and concentrations at individual exposures as well as at the portfolio level. As card dues are mostly retail in nature and are payable monthly, the assessment and monitoring of the credit portfolio is done through a review of the cardholder's repayment performance and outstanding in various buckets. Besides, the Company has detailed portfolio monitoring for the corporate card portfolio as well. The collection of dues is also geared towards bucket-wise segmentation, as the behavioural pattern under different buckets differs.

The Company uses sophisticated Machine Learning (ML) based analytics and models to continuously perform a risk rating of the portfolio for determining the acceptability of risk, drawdown ability, credit limits, eligibility and sanctioning of authorisations, eligibility for instalment-based balance conversions and review frequency. Large and risky exposures for our corporate card portfolio are independently vetted by the risk management department and approved by the suitable credit committee. Risk models are governed by a Model Risk Governance process covering the life cycle of all risk models from inception, methodology, discrimination power, accuracy, and stability, to model calibration and retirement.

- **Operational Risk:** The Company has set up a comprehensive Risk and Controls Self-Assessment (RCSA) process for documenting, assessing, and periodic monitoring of various risks and controls. Risks are assessed for their acceptability or unacceptability by measuring their frequency and impact. An incident reporting mechanism for reporting operational risk incidents is in place. All outsourcing arrangements are examined and approved only after a due diligence process, including financial, reputation, information security, compliance, and business continuity risk assessment. The Business Continuity (BCP) framework is in place to ensure continuity of service to its large customer base. The effectiveness of the approved Business Continuity Plan (BCP) framework is tested for all identified critical internal activities to ensure continuity of services and readiness to meet various contingency scenarios. The learning from the BCP exercises is used as input to further refine the framework. The Company has strengthened its data loss prevention systems and deployed various controls to ensure the information/data of customers, stakeholders, and employees are secure. Information Security Committee regularly reviews the performance of key information and cyber security metrics and provides directions to mitigate risks.

// The effectiveness of the approved Business Continuity Plan (BCP) framework is tested for all identified critical internal activities to ensure continuity of services and readiness to meet various contingency scenarios.

- **Liquidity Risk:** Liquidity risk arises when a Company is unable to meet its payment obligation when they fall due. This may be caused by the Company's inability to liquidate assets or obtain funding to meet its liquidity needs. The Asset Liability Management (ALM) Policy of the Company stipulates a broad framework for liquidity risk management to ensure that the Company is in a position to meet its liquidity obligations as well as withstand a period of liquidity stress. Pursuant to RBI Circular on 'Liquidity Risk Management Framework for NBFC', we have introduced various key indicators in liquidity risk appetite to provide early warning signals.

The Company has also adopted a stress testing methodology to identify, measure, monitor and control risk concentrations. The Company has computed the impact of macroeconomic variables on the profitability of the Company, and accordingly, the requirement of additional capital is computed in three scenarios viz., Mild, Moderate, and Severe.

- **Regulatory Risk:** In order to comply with regulatory guidelines and laws/rules, the Company tracks the completion of all regulatory tasks through an automated tool. All key issues are highlighted to Enterprise Risk Management Committee, Operational Risk Management Committee and Compliance Review Committee. In addition, the Company performs independent annual assurance testing to comply with regulatory guidelines.
- **Reputation Risk:** As a part of the service industry, managing reputation risk is of paramount importance to the Company. Therefore, the Company monitors customer complaints resolution, social media complaints, and negative media incidents and obtain real-time feedback to measure the voice of customers.
- **Strategic Risk:** Strategic Risk arises due to a wrong business model or lack of medium- or long-term planning. It may also arise due to a lack of awareness about

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competition or a changing business environment. The assessment is generally carried out by benchmarking key business metrics against the competition. The Board is actively engaged in providing strategic direction to the Company. The Company is constantly trying to introduce innovative products in order to maintain and increase its competitive advantage in the industry.

- **Vendor Risk:** The Company engages with multiple third parties or vendors for various services across geographies. Failure to manage risks arising out of vendor risk may result in significant financial loss, reputational damage, and/or legal and regulatory issues. The Company has accordingly adopted a Vendor Risk Management Policy detailing guidelines on vendor risk assessments.

Operations and Customer Servicing

The Company's customer services strategy aims to enhance customer experience and optimise service costs. To achieve this goal, the Company has launched various digital initiatives to encourage customers to use online channels for their interactions. The quality of customer experience is assessed by performance metrics that are also subject to regulatory scrutiny.

Some highlights from FY2023 include:

- **Account retention:** The Company has focussed on increasing customer retention through various initiatives and interventions through higher customer satisfaction and lower customer complaints.
- **Improved responsiveness:** Investments in telephony technology, optimisation tools, chatbots, and processes have led to improved response times. The Company manages an average of 1.6 crore customer touchpoints per month, with 83% managed digitally and 17% manually.
- **External communication:** The Company has a robust communication protocol with its customers for any transaction declines experienced by them due to various reasons, including but not limited to, card expiry, card blockage, and exceeding credit limits. At any instant of a transaction decline, our standard procedure involves sending an SMS communication to the customer along with an email to his registered email ID. Additionally, an automated voice blaster attempts to call the customer to address the issue. It is important to note that this automated call system is used by the majority of our customers.
- The Company has also received awards and certifications, including COPC certification for workforce and quality monitoring processes and the "Stevie awards" (Gold and Silver).

- Several digital interventions have been implemented, such as the launch of Spend Analyser 2.0, the digital account closure journey across channels in accordance with RBI guidelines, self-service options through IVR on the helpline, and enhancements in IVR structure to prompt the adoption of digital channels like WhatsApp and Missed Call Service. Other improvements include digitalising the credit balance refund process, introducing the option to download statements on WhatsApp, and successful integration of Connect 2.0 with the Sales 24 App.
- During the year, the Company received 6.49 lakh gross inflow of customer grievances, 12% lower than previous year. The structured approach of analysing the root cause of demand drivers and concerted efforts in driving actionable resulted in lower inflow volumes across complaint categories, more specifically in Mis-sell related and volumes arising from a failure in offer fulfilment. In the future, the Company plans to continue its journey of digitisation and leverage AI and robotics to provide better value to customers. The Company aims to adapt to changing customer expectations and invest in technology and processes to deliver a seamless, personalised, and convenient experience across all channels. Some critical future investments include digital transformation with AI and Machine Learning capabilities, building vernacular capabilities in customer communication for tier 3 and tier 4 markets, leveraging customer data and analytics through speech-to-text technology, implementing social media tools and language enhancements, and process re-engineering and system enhancements.

TECHNOLOGY

New Payment Technologies

The Company has been amongst the industry front-runners in technology adoption. The Company has been one of the earliest card issuers in the industry to launch contactless cards and has moved all-new card issuance to contactless cards. Our proprietary payment solutions, Scan to Pay and Company Pay, not only provide ease of transaction and greater payment experience but also enhanced security. Additionally, the Company has also integrated with Jio Pay and Paytm Pay for Visa and MasterCard cardholders. With these launches, the Company's digital payment suite now includes – Samsung Pay, SBI Card Pay, Google Pay, Jio Pay, Paytm Pay and Scan and Pay (Bharat QR) for both VISA and MasterCard. With the advent of upcoming wallet technologies, the Company is geared towards integrating it to provide its cardholders easy access to new and updated means of payment.

The Company has also enabled its customers to tokenise their cards on the merchant website/app for the better security of our customers, as directed by RBI.

The Company has been committed to digitising the journey, across the life cycle of a card, from new accounts to collections powered by artificial intelligence and data analysis, built on a strong infrastructure to enable growth in the payment ecosystem while protecting its customers.

- **Digital Sourcing Capabilities:**

The Company is enhancing digital sourcing with new features and capabilities. It has added new valuable digital capabilities like the digital KYC platform - KROC for KYC renewals and integrated digital KYC modules (eKYC and DigiLocker), introduced a new credit scorecard decision engine, and digitised verification process along with email validation process revamp.

- **Digital Carding:**

The Company has added new programs for instant carding. One of the key flagship initiatives is SBI Card SPRINT program – a straight-through processing journey for the new to Company segment. The Company has onboarded 70K+ cards since the launch of the SBI Card SPRINT program. The journey has been powered with digital capabilities like real-time optimisation of campaign strategy for inorganic traffic and journey restart for abandoned applications. This digital sourcing through SBI Card SPRINT has reduced the cost of acquisition for the Company.

- **Data Analytics:**

The Company has invested in Data Lake, which brings data from multiple core platforms into one place, enabling real-time and near-real-time analytics and next best action for applicable use cases and business functions. This year the data lake platform has built many key initiatives to attract customer through campaigns, increase customer spending, and developed various AI/ML-based model to predict customer behaviours. Some of these initiatives to enable real-time calling to customers on first online transaction in vernacular languages, leveraging AI/ML models in the collections recovery process to predict customer's propensity to pay and align the collection workforce accordingly.

- **Digital Servicing:**

In its endeavour to empower its customers, the Company has introduced many new self-service capabilities on its digital channels such as enhancing WhatsApp servicing expansion with new features such as offering all cross-sell products, credit limit increase and card upgrade. The Company introduced retention tools, enabled Flexipay booking on digital and helpline journeys, improved auto debit salary sweep process, mobile number login change

to provide more security, launched Hindi-translated Company's website with 15 most visited pages, revamped add-on card apply journey on mobile app, leveraged RPA automation for curing unsuccessful card delivery attempts and introduced Digi Locker for updating contact change details through digital channels, etc.

- **Digital Collections:**

The Company continues to digitise our collections processes with a focus on making it simpler for customers to pay, increasing the productivity of agents and increasing the efficiency of the collections through key initiatives like enhanced front-end and allocation modules to ensure unified collections for multi-account holders, enabled communication for payment reminders through digital channels – SMS, e-mail, IVR, and WhatsApp from CX24 on recovery portfolio.

- **Strong, Scalable, Reliable and Secure Infrastructure:**

All the Company's business enablers are being built up on a strong foundation with 24*7 availability across all IT systems with a strong disaster recovery set-up for all mission-critical applications. The Company has created its own intellectual property, consisting of applications to run the business processes and serve customers efficiently. This year, the Company has successfully migrated its complete ecosystem of 75+ Applications to NEW DC Site STT Datacentre, which is best-in-class and state-of-the-art site in Bengaluru. The Company has also developed active-active setup for contact centre application in two datacentres: Bengaluru and Hyderabad. Inbound customer calls can now be distributed to both datacentres.

COMPLIANCE

To ensure the highest standards of compliance, the Company has a strong, independent, and robust compliance program in accordance with the regulatory and ethical obligations. To identify, assess and manage various compliance risks, a comprehensive compliance framework has been set up with Board-approved compliance policy that includes governance structure, detailed guidelines on Code of Conduct etc. The Company also has a Board-approved Fair Practice Code, AML/KYC Policy in place.

All areas of compliance are managed under a shared framework of prevention, detection, and response. This framework has been developed with a specific focus on maintaining adherence to all applicable regulatory norms with a strong operating rhythm through regular reviews with the senior management team, who sign a monthly certification.

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A functional compliance framework has also been set up, wherein each function is educated on its regulatory obligations; metrics of their processes are prepared to ensure compliance and an ongoing tracking/review is conducted in the Compliance Committee. The Compliance Program also has a proactive assurance process that tests the controls governing key compliance areas.

The Company reviews all new products, processes, and ensures that its internal policies address the regulatory requirements comprehensively. The Company also aims to continuously strengthen the culture of integrity and ethics through employee awareness and education on key compliance themes and regulatory obligations through various modes like e-learning sessions, leadership connect, focus group sessions, location connect, online knowledge checks etc. A comprehensive compliance training programme ensures continuous employee education and awareness for all new and existing employees.

The Company also firmly believe that as business transactions become more digitised, trust and transparency remain vital elements of the business. This approach strengthens the Company's current relationship with the customers and also shapes its endeavours for future business growth.

INTERNAL AUDIT

The Internal Audit team of the Company provides high-quality counsel to the management on the effectiveness of risk management and regulatory compliance of the organisation, besides contributing to the effectiveness of the internal controls in achieving the corporate objectives. The internal audit team is responsible for planning and getting the risk-based internal audits in FY2023 conducted for all functions, policies, and processes. The risks associated with the business and various processes are identified as part of the risk assessment exercise and RCSA conducted by the risk function. The internal audit team ensures that all risks identified and captured in the RCSA are addressed in the audit process. The audit process includes elements to assess possible risks to organisational business performance, business sustainability and reputational risk. All key risk policies are reviewed and audited by the auditors to ensure that the design of the policy addresses the potential risks, and that the policy is correctly implemented to give the desired results. The Internal Audit team of the Company operates under the supervision of the Audit Committee of the Board (ACB), thereby ensuring its independence. The effectiveness of internal controls in terms of the Company's internal processes and regulatory guidelines are regularly reviewed by the ACB and wherever necessary directions are passed for the required compliance.

// **A comprehensive compliance training programme ensures continuous employee education and awareness for all new and existing employees.**

HUMAN RESOURCES

The Company is a rapidly growing organisation, with average employee age being 34 years. The overall employee strength stands at 3,907 as on March 31, 2023. Strong and stable Senior Management has an average tenure of ~14 years with the organisation. FY2023 has witnessed some strong HR initiatives around all aspects of the employee lifecycle:

Focus on Talent Acquisition Framework

- Creation of talent pipeline through comprehensive Campus Hiring Program
- Partnering with NGOs working in the field of empowerment of people with disabilities to hire persons with disabilities.

Robust Organisation Structure Design and Implementation Mechanism

- Scientific and comprehensive process of organisation structure, designed with clear linkages to productivity metrics
- Organisation-wide role evaluation exercise undertaken to ensure retention of talent, market parity and create avenues of career progression
- Robust career progression process and principles established through:
 - Individual development plan for employees in the middle and senior management level, ensuring the enhancement in the behavioural as well as technical skills
 - Job rotation framework for employees to move inter / intra function to create an agile workforce

Highly Effective Learning and Development Domain in the Organisation

- Executive education program has been deployed in collaboration with Management Development Institute, Gurugram. The program has been conceptualised for identifying and grooming high performers at Band 5 and 6 towards retention and engagement.

- For developing the leadership teams and enabling collaboration across organisation, SVP and VP group coaching has also been done. Coaching and grouping of these employees was done post 360-degree assessment for identifying opportunity areas. Enabling digital mindsets and capabilities has remained as one of the focus areas for Learning and Development and multiple batches of programs around data science, AI and Machine Learning have been deployed for both IT and non-IT functions. The programs have been very well received, and leadership reported positive impact.
- To address the challenges of developing people management skills, “Sales Excellence” and “Leading with Empathy”, centred around design thinking has been deployed. Pilot batches have been run with positive feedback from participants and business leaders.

Digitisation of HR Processes

The Company started its digital transformation journey with a consistent focus on change management. The Company has envisioned Human Resources to grow as a digital workspace. Through technology-enabled solutions that have a user-centric approach, adequate information, and the right strategy, the Company continues to evolve and transform HR processes and drive business forward holistically. Here is a brief overview of the Company's journey in FY2023:

- **Happy to Help - Employee Ticketing Module**

This workflow enables an automated channel between employees and HR and keeps a track on queries received and responses delivered.

- **EMA (Employee Multi-purpose Assistance)**

EMA is an advanced AI-powered chatbot, enabled to answer all HR related queries. It is available 24x7, keeps an employee updated with latest notifications and has many more advanced features.

- **Mobile Application for attendance with Common QR code**

With the help of a QR code, employee can now download and use ESS Spectra App and can view his/her attendance. It also enables raising and approving attendance regularisation through mobile application.

- **Talent Management Profile for Employees**

A single document which includes complete work history of an employee. The last three performance ratings and competency scores, education, and work experience etc. can be viewed.

// **Several initiatives for women colleagues including financial wellness training programme under the “Align, Inspire, Mentor” (AIM) network which have been introduced for women colleagues across the organisation.**

- **Employee Wellness and Engagement**

The corporate sector in India has witnessed increased employee churn post COVID-19 on account of many reasons – demand for good talent, return to work from office norms etc. The Company has taken various employee engagement initiatives as listed below to increase employee connect and boost employee morale and loyalty:

- Quarterly employee townhalls have been conducted across India, SMT connects have been initiated in every quarter to enhance the visibility, dialogues with Senior Leadership.
- HR connects have been initiated across locations enabling the employees to share their feedback / concerns in person with the HR team.
- AMIGO – Buddy program introduced for new joiners. A willing pool of amigos have been created to assist the new joiners since August 2022.
- Several initiatives for women colleagues including financial wellness training programme under the “Align, Inspire, Mentor” (AIM) network which have been introduced for women colleagues across the organisation. A major highlight of the year has been inviting Ms Babita Phogat, World renowned female wrestler, on International Women's Day to share her experiences with the employees.
- The Company has won “Golden Peacock – National Training Award”, awarded by Institute of Directors for the first time.
- The Company's Wellness Platform, Life 2.0 Edition FY2023 – Back to Basics launched to provide health and wellbeing services, with initiatives like:
 - Tele-consultation service with unlimited free generalist and specialist consultation.
 - Mental Health - Employee Assistance App.
 - Relevant webinars have been conducted on themes of Ayurveda, Financial Wellness, Women and Family Wellbeing.

Management Discussion & Analysis Report

Corporate Social Responsibility

The Company has marked its presence through CSR initiatives in FY2023 to strengthen public infrastructure, benefiting thousands of needy individuals, including youth, women, elderly and people with disabilities in areas of education, health, disaster management, environment sustainability and skill development. Detailed description about the Company's CSR and its impact has been provided in the CSR section of the Annual Report.

FINANCIAL PERFORMANCE

Given under is a snapshot of the financial results for the year ended March 31, 2023 and the previous year:

(₹ in Crore)			
Particulars	FY2023	FY2022	% Change
Total Income	14,286	11,302	26%
Finance Costs	1,648	1,027	60%
Operating Costs	7,448	5,844	27%
EBCC	5,190	4,430	17%
Credit Costs	2,159	2,258	-4%
PBT	3,031	2,172	40%
PAT	2,258	1,616	40%

Total Income increased from ₹ 11,302 crore in FY2022 to ₹ 14,286 crore in FY2023 registering a YoY growth of 26%. This has been a result of the following key factors:

- Fees and commission income has increased by 26% from ₹ 5,227 crore in FY2022 to ₹ 6,604 crore in FY2023. Business development incentive income has increased by 65% from ₹ 448 crore in FY2022 to ₹ 740 crore in FY2023. The increase in fees and commission income and business development incentives income has been driven by a 22% growth in cards-in-force and 41% growth in spends
- Interest income has increased by 26% from ₹ 4,866 crore in FY2022 to ₹ 6,153 crore in FY2023. Interest income yield has decreased from 17.6% in FY2022 to 16.7% in FY2023, while average receivables increased by 33%.

Finance costs has increased by 60% from ₹ 1,027 crore in FY2022 to ₹ 1,648 crore in FY2023 and has been driven by higher cost of funds from 5.2% in FY2022 to 6.0% in FY2023, driven by higher policy and interest rates.

Operating costs has increased by 27% from ₹ 5,844 crore in FY2022 to ₹ 7,448 crore for FY2023. The cost-to-income ratio has increased from 56.9% in FY2022 to 58.9% in FY2023 driven by business growth.

EBCC has increased by 17% from ₹ 4,430 crore in FY2022 to ₹ 5,190 crore in FY2023 driven by higher income.

Gross credit costs as a percentage of average receivables decreased from 8.3% in FY2022 to 5.9% in FY2023. Net credit costs (after deducting recoveries from bad debts) as a percentage of average receivables have decreased from 6.4% to 4.3% during the same period.

Net profit (after tax) has increased by 40% from ₹ 1,616 crore in FY2022 to ₹ 2,258 crore in FY2023.

Balance Sheet as of March 31, 2023

- Total balance sheet size has increased by 31% from ₹ 34,648 crore as on March 31, 2022, to ₹ 45,546 crore as on March 31, 2023.
- Net worth has increased by 27% from ₹ 7,824 crore as on March 31, 2022, to ₹ 9,902 crore as on March 31, 2023.
- Gross Credit card receivables have increased by 30% from ₹ 31,281 crore as on March 31, 2022, to ₹ 40,722 crore as on March 31, 2023.

Asset Quality

Gross non-performing Assets as a percentage of gross advances (GNPA) have increased from 2.22% as on March 31, 2022, to 2.35% as on March 31, 2023. Net non-performing assets as a percentage of gross advances (NNPA) have increased from 0.78% to 0.87% during the same period.

Capital Adequacy and Liquidity

As per the capital adequacy norms issued by the RBI, the Company's capital to risk ratio (CRAR) consisting of tier I and tier II capital should not be less than 15% of its aggregate risk-weighted assets on the balance sheet and of the risk-adjusted value of off-balance sheet items. CRAR of the Company stands at 23.1% as on March 31, 2023, compared to 23.8% as of March 31, 2022.

The tier I capital in respect of an NBFC-ND-SI, at any point in time, is required to be not less than 10%. The Company's Tier I capital has been 20.4% as of March 31, 2023, compared to 21.0% as of March 31, 2022.

The Company enjoys the highest credit rating from CRISIL and ICRA for both short-term and long-debt programmes as below:

- CRISIL Long Term - AAA/Stable
- CRISIL Short Term - A1+
- ICRA Long Term - AAA/Stable
- ICRA Short Term - A1+

The high credit ratings depict the robustness of the Company's liquidity management framework and its ability to meet financial obligations. The Company has access to a diverse source of funds, and its borrowing composition consists of multiple bank lines, commercial papers, and debentures. As on March 31, 2023, the Company had ₹ 4,607 crore of unutilised banking limits, which translates into 18% of sanctioned banking limits which is more than sufficient to meet its future obligations. The Company also has a robust Asset Liability Management process with positive cumulative mismatches across all buckets.

Segment-wise or Product-wise Performance

There is only single reportable segment ("Credit cards"), as envisaged by Ind AS 108 Segment reporting, specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules 2014. Further, the economic environment in which the Company operates is significantly similar and not subject to materially different risks and rewards. Accordingly, as the Company operates in a single business and geographical segment, the reporting requirement for primary and secondary disclosures prescribed by Ind AS 108 are not required to be given.

Key Ratios

Particulars	FY2023	FY2022	Change
Interest Income Yield	16.7%	17.6%	-97 bps
Net Interest Margin	12.1%	13.9%	-175 bps
Cost to Income	58.9%	56.9%	205 bps
Return on average assets	5.6%	5.4%	20 bps
Return on average equity	25.3%	22.8%	245 bps
EPS (basic) ₹	23.92	17.16	39%
Financial Leverage (Debt/Equity = Liabilities/Tier 1 Equity)	4.3	4.1	5%
Total Capital Adequacy Ratio	23.1%	23.8%	-75 bps
Gross NPA	2.35%	2.22%	13 bps
Net NPA	0.87%	0.78%	9 bps

Explanation of Return on average equity

Return on average equity (ROAE) has increased from 22.8% in FY2022 to 25.3% in FY2023. Return on average assets (ROAA) has increased from 5.4% in FY2022 to 5.6% in FY2023. The following table provides a summary computation of the ratios:

ROA tree as a percentage of average total assets

Particulars	FY2023	FY2022	Change
Total Income	35.4%	37.8%	-236 bps
Finance Costs	4.1%	3.4%	65 bps
Operating Costs	18.5%	19.5%	-107 bps
EBCC	12.9%	14.8%	-194 bps
Credit Costs	5.4%	7.5%	-219 bps
PBT	7.5%	7.3%	25 bps
Taxes	1.9%	1.9%	6 bps
PAT (ROAA)	5.6%	5.4%	20 bps
Average Assets/Average Equity	4.5	4.2	
ROAE	25.3%	22.8%	245 bps

Prospects

The payment industry in India along with retail lending space has been witnessing rapid expansion over past few years. There has been increasing push from government and regulator to increase digital payments in the country. The credit card penetration in India still remains at very low levels compared to advanced economies in the world, thus providing tremendous growth opportunities for the Company. With an aim to increase the Company's share in both spends and cards-in-force and maintain a profitable growth, the Company has identified the following focus areas.

Diversified sourcing

The Company shall focus to acquire cards across the diversified sourcing channels which includes open market and SBI customer base across both traditional point of sale as well as digital channels. The Company shall continue to leverage the large customer base of its parent bank, State Bank of India. We remain committed to expanding premium accounts through all customer acquisition channels.

Leverage technology

The Company aims to increase its digital sourcing and has launched SBI Card SPRINT, an end-to-end digital application process for customers that enables instant card issuance to existing and new to company segments. The new process offers digital application submission on the Company's website, Digital KYC (using Digilocker), alternate data integration and instant decision-making based on AI and ML models for the customers with real-time card issuance.

Management Discussion & Analysis Report

Cobrand Partnerships

During the year, the Company launched new cobrands with Aditya Birla and PSB Bank and will continue to explore cobrand opportunities with online and premium partners. This helps the Company expand its product offerings to cater to niche customer segments of its partners.

Customer Engagement

The Company is prioritising expanding its portfolio by increasing spends and receivables through increasing engagement with customers through merchant alliances and targeted offers. The Company aims to customise the offerings across its customer segments. It is also focussed on growing interest-earning assets through higher EMI penetration.

Customer Servicing

The Company is committed to maximising customer satisfaction by providing superior service and products. The Company shall continue to utilise its human and technical resources to achieve

this objective. The digital initiatives for servicing our customers such as chatbot, WhatsApp servicing are helping the customer resolve their queries fast. The Company plans to launch more such initiatives leveraging AI.

Risk Management

The Company shall continue to monitor and intervene as necessary in response to emerging risks, such as credit, information security and enterprise risks. The Company is focussed towards improving its asset quality through enhanced monitoring, improved risk policies and portfolio interventions.

The Company is well positioned to face challenges and capitalise on the vast opportunity in the credit card market. It remains committed to exploiting the opportunities in a promising space and to maximise value for all its stakeholders.

Board's Report

Dear Members,

Your Directors' are pleased to present the Twenty Fifth (25th) Annual Report along with the Audited Annual Accounts of your Company for the financial year ended March 31, 2023.

FINANCIAL SUMMARY, STATE OF COMPANY'S AFFAIRS AND BUSINESS PERFORMANCE

The financial performance of the company for the financial year ended March 31, 2023 and for the previous year is summarized below: –

		(₹ In Crores)	
S.No	Particulars	2022-23	2021-22
1	Income	14285.67	11301.52
2	Finance Cost	1647.63	1027.32
3	Operating & Other Expenses	9443.66	7953.48
4	Depreciation and Amortization	163.81	148.56
5	Profit /(Loss) Before Tax	3030.57	2172.16
6	Tax	772.10	556.02
7	Profit /(Loss) After Tax	2258.47	1616.14
8	Add: Opening surplus in statement of profit and loss	4481.06	3418.78
9	Add: Transfer from/to other comprehensive income	(3.41)	5.16
10	Less: Amount transferred from retained earnings for unclaimed customer credit balance above 10 years	5.89	NIL
11	Less: Transfer to Statutory Reserve	451.69	323.23
12	Less: Interim equity dividend (amount ₹ 2.50 per share in FY 22-23, ₹ 2.50 per share in FY 21-22)	236.52	235.79
13	Balance of P&L Account C/F to Balance Sheet	6042.02	4481.06

In FY23, the Company sourced 52.02 lacs new accounts with 46% YoY growth. Cards-in-force grew by 22% to reach 1.68 Crore as on March 31, 2023. The Company generated spends of ₹ 2,62,498 Crore at 41% YoY growth. In terms of cards-in-force and spends, SBI Card is the 2nd largest credit card issuer. Receivables grew by 30% YoY to close the year at ₹ 40,722 Crore.

Backed by robust portfolio growth, the Company delivered an impressive Profit after Tax of ₹ 2,258.47 Crore at 40% YoY growth with ROAA of 5.6% and ROAE of 25.3%.

The detailed business and financial performance is covered in the Management & Discussions Analysis section of the Annual Report.

REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year under review, the Company did not have any subsidiary, associate and joint venture company.

MATERIAL CHANGES AND COMMITMENTS DURING THE YEAR UNDER REVIEW

During the financial year 2022-23, the Company had allotted 29,01,900 Equity Shares of ₹ 10/- each to the eligible employees of the Company pursuant to the exercise of options under the SBI Card - Employee Stock Option Plan 2019 (ESOP Scheme 2019) at the exercise price of ₹ 152.10 per share. Accordingly, the paid-up capital of the Company increased from ₹ 9,43,17,24,890/-consisting of 94,31,72,489 equity shares of ₹ 10/- each as on March 31, 2022 to ₹ 9,46,07,43,890/-consisting of 94,60,74,389 equity shares of ₹ 10/- each as on March 31, 2023. There has been no change in the nature of business during the year under review.

ALTERATION IN THE MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

During the year under review there was no alteration in Memorandum of Association and Articles of Association.

The Securities and Exchange Board of India vide its notification number SEBI/LAD-NRO/GN/2023/119 dated February 2, 2023 ("SEBI Notification"), had amended the Securities and Exchange

Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“SEBI NCS Regulation”).

Pursuant to the amendment(s), If an issuer is a company, it shall ensure that its Articles of Association require its Board of Directors to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub regulation (1) of regulation 15 of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors.

Further, pursuant to Regulation 15(1)(e) of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, it shall be the duty of every debenture trustee to appoint a nominee director on the Board of the company in the event of:

- (i) two consecutive defaults in payment of interest to the debenture holders; or
- (ii) default in creation of security for debentures; or
- (iii) default in redemption of debentures.

Accordingly, in order to comply with the said amendment the Board of Directors of the Company at its meeting held on July 10, 2023, had inter alia, approved the insertion of a new clause 33(ii)(e) in the Articles of Association of the Company, subject to the approval of the member of the Company by way of special resolution.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR UNDER REVIEW AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year under review and the date of the report.

Status of other reserves and share application money pending allotment (stated as other equity in financial statements) as on March 31, 2023 is as follows:

Other Equity	(Figure in ₹ Crores)	
Particulars	2022-23	2021-22
Capital Redemption Reserve	3.40	3.40
General Reserve	21.12	13.11
Statutory Reserves	1,786.77	1,335.08
Capital Reserve (on account of amalgamation)	(71.51)	(71.51)
Securities Premium	1,049.16	988.09
Retained Earnings	6,042.02	4,481.06
Share application money pending allotment	-	-
Share Options outstanding account	40.13	47.97
Cash flow hedging reserve	(0.34)	-
Equity investment - OCI	13.23	12.32
Total	8,883.99	6,809.52

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as updated from time to time and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

DIVIDEND

During the year ended March 31, 2023, the Board of Directors have declared interim dividend of 25% (₹ 2.50/- per equity share of the face value of ₹ 10/-) for the financial year 2022-23 in accordance with provisions of the Companies Act, 2013 and the Dividend Distribution Policy of the Company, as amended. (FY 2021-22 - ₹ 2.50/- per equity share).

DIVIDEND DISTRIBUTION POLICY

In terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Dividend Distribution Policy of the Company is available on Company's website at <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sbi-cards-dividend-policy.pdf> . The dividend distribution policy forms a part of this report.

RESERVES

During the year ended March 31, 2023, the Company appropriated ₹ 451.69 Crores towards the Statutory Reserves (₹ 323.23 Crores in FY22) in accordance with Section 45-IC of the Reserve Bank of India Act, 1934.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 and in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the prescribed Form AOC-2, is appended as **Annexure 1** to the Board's Report. The Related Party Transactions Policy of the Company is available on the website of the Company and can be accessed at <https://www.sbicard.com/en/who-we-are/policies-and-codes.page>.

The Shareholders of the Company at the 24th Annual General Meeting held on August 26, 2022, accorded their approval for entering into and/or carrying out and/or continuing with material related party transaction(s) with State Bank of India (SBI) and SBI Capital Markets Limited (SBI CAP) for the Financial Year 2022-23 and thereafter upto the date of the next annual general meeting of the Company to be held in FY 2023-24 or fifteen months from the date of 24th Annual General Meeting, whichever is earlier.

Since the approval as mentioned above is valid upto the date of the Annual General Meeting of the Company to be held in FY 2023-24, the matters pertaining to entering into and/or carrying out and/or continuing with material related party transactions with SBI and SBI CAP from the date of the 25th Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months are being placed for the approval of members at the ensuing AGM.

CAPITAL ADEQUACY

As per the Reserve Bank of India norms applicable for NBFC, the Company is required to keep a Capital Adequacy Ratio (CAR) of 15%. Company's CAR is well above the regulatory requirement at 23.08% with 20.37% as Tier 1 Capital, as of March 31, 2023.

DEBENTURES

ISSUE OF DEBENTURES

During the Financial Year 2022-23, your Company has raised money by issuance and allotment of following debentures:

- ₹ 750 Crores - 7,500 Fixed Rate, Unsecured, Rated, Taxable, Redeemable, Senior, Listed Non-Convertible Debentures of face value of ₹ 10,00,000/- each.
- ₹ 250 Crores - 250 Fixed Rate, Unsecured, Rated, Taxable, Redeemable, Subordinate Tier II, Listed, Non-Convertible Debentures of face value of ₹ 1,00,00,000/- each.
- ₹ 500 Crores - 5,000 Fixed Rate, Unsecured, Rated, Taxable, Redeemable, Senior, Listed Non-Convertible Debentures of face value of ₹ 10,00,000/- each.

- ₹ 350 Crores - 3,500 Fixed Rate, Unsecured, Rated, Taxable, Redeemable, Senior, Listed, Non-Convertible Debentures of face value of ₹ 10,00,000/- each.

REDEMPTION OF DEBENTURES

During the Financial Year 2022-23, following Non-Convertible Debentures were duly redeemed on due date:

- Series 06, 1000 Unsecured Non-Convertible Debentures of ₹ 10,00,000/- each.
- Series 13, 4500 Unsecured Non-Convertible Debentures of ₹ 10,00,000/- each.
- Series 15, 1750 Unsecured Non-Convertible Debentures of ₹ 10,00,000/- each.
- Series 17, 4100 Unsecured Non-Convertible Debentures of ₹ 10,00,000/- each.
- Series 18, 3000 Unsecured Non-Convertible Debentures of ₹ 10,00,000/- each.

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

The Company, being a non-banking financial company registered with the RBI and engaged in the business of issuing credit cards, is exempted from complying with certain provisions of section 186 of the Companies Act, 2013. Other necessary details as required under the Section 186 of the Companies Act, 2013 are furnished in the financial statements of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Composition of the Board of Directors ("Board") is in terms of the Companies Act, 2013, the RBI Directions and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Board consists of Eight Directors namely Mr. Dinesh Khara, Chairman, Non-Executive Director (Nominee of SBI); Mr. Rama Mohan Rao Amara, Managing Director & CEO (Nominee of SBI); Mr. Mihir Narayan Prasad Mishra, Non-Executive Director (Nominee of SBI); Dr. Tejendra Mohan Bhasin, Independent Director; Mr. Rajendra Kumar Saraf, Independent Director; Mr. Dinesh Kumar Mehrotra, Independent Director; Ms. Anuradha Nadkarni, Independent Director and Mr. Shrinivas Yeshwant Joshi, Independent Director, as on the date of the Report.

During the year under review, Mr. Ashwini Kumar Tewari, Non-Executive Director (Nominee of SBI) resigned from the directorship of the Company with effect from July 14, 2022, consequent upon his stepping down from the position of Managing Director (IB, T & S) in State Bank of India.

Further, the Board of Directors of the Company appointed Mr. Swaminathan Janakiraman as a Non - Executive Director (Nominee of SBI) (DIN: 08516241) of the Company w.e.f.

July 22, 2022, subject to the approval of members of the Company, as per Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The shareholders of the Company at their 24th Annual General Meeting held on August 26, 2022 had approved appointment of Mr. Swaminathan Janakiraman as a Nominee Director (Non – Executive Director, Nominee of SBI) (DIN: 08516241) of the Company w.e.f. July 22, 2022. Further, Mr. Swaminathan Janakiraman resigned from the directorship of the Company with effect from June 26, 2023, consequent upon his appointment as Deputy Governor, Reserve Bank of India.

Mr. Nalin Negi, Chief Financial Officer of the Company had tendered his resignation from the services of the Company and was ceased to be the Chief Financial Officer of the Company w.e.f. July 31, 2022.

During the year under review, the Shareholders of the Company at their 24th Annual General Meeting held on August 26, 2022 have approved re-appointment of Mr. Dinesh Kumar Mehrotra (DIN: 00142711) and Ms. Anuradha Nadkarni (DIN: 05338647) as Independent Directors of the Company for the second term of three years w.e.f. from November 14, 2022.

The Shareholders of the Company have also approved re-appointment of Mr. Rama Mohan Rao Amara as Managing Director and CEO of the Company for a further period of one year w.e.f. January 30, 2023.

Further, during the year under review, Ms. Rashmi Mohanty was appointed as the Chief Financial Officer of the Company w.e.f. October 21, 2022.

As on March 31, 2023, the Company had three Key Managerial Personnel namely Mr. Rama Mohan Rao Amara, MD and CEO; Ms. Rashmi Mohanty, CFO and Ms. Payal Mittal Chhabra, Company Secretary. Company Secretary also act as Compliance Officer of the Company for the purposes of SEBI, Stock Exchanges and other listing compliances.

The shareholders of the Company at the 23rd Annual General Meeting held on August 26, 2021, had appointed Mr. Shrinivas Yeshwant Joshi (DIN: 05189697) as Independent Director of the Company for a term of three years w.e.f. December 4, 2020 till December 3, 2023. Accordingly, the term of Mr. Shrinivas Yeshwant Joshi will conclude on December 3, 2023.

In view of the knowledge, background, experience and contribution (including time commitment) made by Mr. Joshi during his tenure, it would be in the interest of the Company to have continued association with him as Independent Director. Accordingly, the Nomination and Remuneration Committee has recommended the re-appointment of Mr. Shrinivas Yeshwant Joshi as Independent Director of the Company for the second term of three years w.e.f. from December 4, 2023 to December 3, 2026. Further, the Board of Directors of the Company, at its meeting held on July 10, 2023, recommended to the shareholders, re-appointment of Mr. Shrinivas Yeshwant Joshi as Independent Director of the Company for the second term of

three years w.e.f. from December 4, 2023 to December 3, 2026. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for re-appointment as an Independent Director on the Board of the Company.

Mr. Rama Mohan Rao Amara, Managing Director & CEO of the Company has tendered his resignation from the directorship and CEO Position of the Company, owing to his transfer back to State Bank of India and will cease to be the Managing Director & CEO of the Company w.e.f. the close of business hours on August 11, 2023.

Further, the Board of Directors of the Company at its meeting held on July 10, 2023 appointed Mr. Abhijit Chakravorty (DIN: 09494533) (nominee of SBI) as Managing Director & CEO of the Company for a period of two years w.e.f. Saturday, August 12, 2023, subject to the approval of members of the Company. Nomination and Remuneration Committee and the Board of Directors recommends appointment of Mr. Abhijit Chakravorty, as Managing Director & CEO of the Company.

Your Directors place on record their sincere appreciation for the contribution made by Mr. Ashwini Kumar Tewari, Mr. Swaminathan Janakiraman and Mr. Rama Mohan Rao Amara during their tenure on the Board of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to simplify the lives of its stakeholders through trust and excellence. As a responsible corporate citizen, the Company has integrated Corporate Social Responsibility into its business practices. Your Company has taken up innovative CSR projects with an aim of creating sustainable impact by facilitating access, enhancing collaboration, and building capacity in areas such as Education, Health, Environment sustainability, Skill Development and Disaster Management.

In accordance with the provisions of the Companies Act, 2013 and rules made thereunder, Your Company has formulated a CSR policy. The contents of this policy are available on the Company's website at <https://www.sbicard.com/en/who-we-are/policies-and-codes.page>.

The annual report on the CSR activities undertaken by the Company during the financial year under review, in the prescribed format has been appended herewith as **Annexure 2**.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

Company follows the fit and proper criteria as laid down by RBI Directions and the Nomination and Remuneration Policy of the Company framed under Section 178 of the Companies Act, 2013, SEBI Regulations and RBI Circulars/Directions for appointment and remuneration of Directors. Nomination and Remuneration Committee of the Board recommends for appointment of a Director based on the fit and proper criteria Policy and

Nomination and Remuneration Policy of the Company. Further, the Nomination and Remuneration Committee is responsible to ensure 'fit and proper' status of proposed/ existing directors. The Nomination and Remuneration Policy of the Company along with the changes made therein is available on the website of the Company i.e. <https://www.sbicard.com/en/who-we-are/policies-and-codes.page>.

Apart from receiving sitting fees for attending Board and Committee meetings by the eligible Non-executive Directors of the Company and credit card transactions in the ordinary course of business, there are no pecuniary relationship of the Non-executive Directors with the Company.

The closing balance as on March 31, 2023 of the credit cards issued to Directors of the Company was ₹ 0.03 Crores.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

The Independent Directors on the Board of the Company have given declaration that they fulfill the criteria of independence specified in Section 149 of the Companies Act, 2013 and Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the same has been relied upon by the Company.

AUDITORS AND COMMENTS ON AUDITORS REPORT

During the year under review, the office of the Comptroller and Auditor General of India (hereinafter referred to as "CAG") exercising the power conferred under section 139 of the Companies Act, 2013, appointed M/s. Mahesh C Solanki & Co., Chartered Accountants, (Firm Registration No. 006228C) and M/s. Ambani & Associates LLP (Firm Registration No. 016923N) as the Joint Statutory Auditors of the Company for the financial year 2022-23. Statutory Audit was duly done by the referred firms. Also, Supplementary Audit of the Company was conducted by Principal Director of Audit (Industry & Corporate Affairs), New Delhi in accordance with Section 143 of the Companies Act, 2013.

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditor and CAG in their reports.

The Statutory Auditors' report and Comments of the CAG are self-explanatory in nature and does not require any comments from Directors of the Company.

Further, Statutory Auditors of the Company, single or joint for the Financial Year 2023-24 will be appointed by the Comptroller and Auditor General of India.

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed M/s. Chandrasekaran Associates, Company Secretaries, as the Secretarial Auditor of the Company to carry out secretarial audit for the financial year 2022-23. The Secretarial Audit Report obtained from

M/s. Chandrasekaran Associates, Company Secretaries is enclosed with this report as **Annexure 3**. The Secretarial Audit Report does not contain any qualification or reservations or adverse remarks.

INSTANCES OF FRAUD, IF ANY, REPORTED BY THE AUDITORS

During the year under review, the Statutory Auditors have not reported any incident of fraud to the Audit Committee.

FRAUD REPORTING

Certain instances of customer frauds on the Company, primarily relating to fraudulent usage of credit cards issued by the Company, have been reported during the FY 2022-23.

The total amount involved in these frauds was ₹ 0.69 Crores and the recovery against this amount (pertaining to current year as well as the previous years) was ₹ 0.52 Crores.

SECRETARIAL STANDARDS

The relevant Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) related to the Board Meetings and General Meetings have been complied with by the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

While the business activity of the Company does not result in any material consumption of energy, still the Company is committed to continue its efforts towards the conservation of energy. Energy conservation and technology updation are a part of the ongoing processes in the Company. Management's Discussion and Analysis Report section covers the Technology aspect of the business in detail.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During FY 2022-23, the Company incurred foreign currency expense of an amount of ₹ 607.48 Crores on network, other service charges and other expenses (FY 2021-22: ₹ 446.39 Crores).

The dividend remitted for the FY 2022-23 in foreign currency was ₹ NIL (FY 2021-22: ₹ NIL).

The foreign exchange earnings during the FY 2022-23 were ₹ 792.92 Crores (FY 2021-22: ₹ 462.34 Crores) Income in foreign currency represents Incentive Income from network partners.

INTERNAL FINANCIAL CONTROLS

The Board has adopted the policies, processes and structure for ensuring the orderly and efficient conduct of its business with adequate and effective internal financial control across the organization, including adherence to the Company's policies, the safeguarding of assets, the prevention and detection

of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

Also, the Company has an internal audit system commensurate with the size of the Company and periodic audits of the internal functions and processes of the Company are ensured. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

The Company is not required to maintain cost records as stated under section 148 of the Companies Act, 2013.

The Company is in compliance with necessary FEMA provisions on downstream investment and has obtained certificate from Statutory Auditor in this regard.

DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

During the year under review, no application was made by the Company under the Insolvency and Bankruptcy Code, 2016 neither any proceeding under the said Code is pending.

RISK MANAGEMENT AT SBI CARD

Company has in place a robust and comprehensive Risk Management framework enumerating risk based decision making and risk management processes encompassing existing risks, new risks that may have arisen, the likelihood and impact of risks and reporting significant changes adjusting to the risk priorities. Management Discussion and Analysis Report section covers this aspect of the business in detail.

PARTICULARS OF EMPLOYEES

The Directors would like to place on record their sincere appreciation for the contributions made by employees of the Company at all levels. The ratio of the remuneration of each Director to the median employee's remuneration including other details and the list of top 10 employees in terms of remuneration drawn in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **Annexure 4**. Other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014, are available on the website of the Company, at www.sbicard.com.

The Annual Report including the financial statements are being sent to the shareholders excluding the aforesaid information. Shareholders interested in obtaining this information may access the same from the Company's website. In accordance with Section 136 of the Companies Act, 2013, this information is available for inspection by shareholders.

PUBLIC DEPOSITS

The Company has not accepted any deposits from the public as defined in the Non-Banking Financial Companies (Reserve Bank of India) Directions, as amended to date.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

In the opinion of Board of Directors of the Company, Independent Directors on the Board of Company hold highest standards of integrity. They are highly qualified, recognized, experienced (including proficiency) and respected individuals in their respective fields. Its' an optimum mix of expertise (including financial expertise), leadership and professionalism.

EMPLOYEE STOCK OPTION SCHEME(S)

- **SBI Card Employees Stock Option Plan 2019 (ESOP Plan 2019)**

Pursuant to the recommendation of the Board of Directors in their Meeting held on January 16, 2019, the Shareholders at the Extra-ordinary General Meeting held on February 22, 2019 had approved the SBI Card - Employees Stock Option Plan - 2019. Post- IPO of the Company, SBI Card - Employees Stock Option Scheme - 2019 was ratified by the Shareholders through Postal Ballot on 17th June 2020.

The objective of employee stock option plan is to reward employees to align individual performance with Company objectives and drive share-holders' value creation, create a culture of ownership among the executives, works towards successful Initial Public offering and employees to enhance their commitment to organization, motivate management to collaborate and attract and retain key talent, critical to organizations' success. The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, which was subsequently replaced by the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The brief details of the Employees Stock Option Scheme are detailed as below:

(a) Total Options granted during the year ended March 31, 2023	Nil
Total Options granted till the date of report	13,475,650
(b) Number of options vested:	
• During the year ended March 31, 2023	34,81,040
• As on the date of the Annual report	83,86,290
(c) Options exercised during the year;	29,01,900
(d) The total number of shares arising as a result of exercise of option;	29,01,900
(e) Options lapsed;	3,14,750
(f) The exercise price;	₹ 152.10
(g) Variation of terms of options;	None
(h) Money realized by exercise of options during the year;	₹ 44.14 Crores
(i) Total number of options in force;	58,48,790 (including options vested but not exercised)
(j) Employee wise details of options granted to:-	
(i) Key managerial personnel;	No options were granted to the KMP during the FY22-23
(ii) Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year.	NIL
(iii) Identified employee who was granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	NIL

Company is using fair value method to value its options. The detailed disclosures pursuant to the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, have been placed on website of the Company i.e. <https://www.sbicard.com/en/who-we-are/annual-reports.page>

• SBI Card Employees Stock Option Plan 2023 (ESOP Plan 2023)

The Board of Directors of Company at their Meeting held on June 5, 2023, inter alia, approved introduction and implementation of 'SBI Card Employee Stock Option Plan 2023', subject to approval of the shareholders of the Company.

The same has been put up for approval of the Shareholders of the Company through Postal Ballot. The voting on the same had commenced from June 24, 2023 and will end on July 23, 2023.

UPDATE ON CUSTOMER COMPLAINTS

Particulars	Gross Inflow		Gross Complaints	Net Complaints (Subset of Gross Inflow)	
	As of March 31, 2023	As of March 31, 2022	As of March 31, 2023	As of March 31, 2023	As of March 31, 2022
No. of cases pending at the beginning of the year	8,983	12,150	8,983	1,410	81
No. of cases received during the year	649,121	7,33,546	343,923	7,167	11,777
No. of cases redressed during the year	654,880	7,36,713	350,182	8,499	10,448
No. of Cases pending at the end of the year	3,224	8,983	2,724	78	1,410

Note: Gross inflow means any issue raised by our customers across channels and recognized and tagged as a complaint basis the initial voice of the customer.

Gross Complaints is excluding 0-1 working day resolution for Internal Channel Gross inflow, implemented effective April'22.

Net Complaints means all gross complaints identified as complaints post validation and checking internal and external records including any document provided by the customers.

The Company receives complaints from both internal and external channels. Internal channels include various touch points within the organization i.e. in person by visiting SBI Card Office/branch, by telephone, mail, fax, e-mail, website, mobile app, or on social media channels. External channels include any customer approaching external bodies including Reserve Bank of India (RBI), Banking Ombudsman Office, Consumer Education & Protection Department (CEPD), Corporate Center of State Bank of India including complaints received from any external sources by them, Department of Public grievances/ Centralized Public Grievance Redress and Monitoring System (DOPG/CPGRAMS), National Consumer Helpline/ Integrated Grievance Redressal Mechanism (NCH/ INGRAM), etc.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013 your Directors state that:

- (a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 the Annual Return as on March 31, 2023 is available on the Company's website at <https://www.sbicard.com/en/who-we-are/annual-reports.page>.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

The Business Responsibility and Sustainability Report as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 describing the initiatives taken by Company from environmental, social and governance

perspective, has been appended herewith as **Annexure 5** and is also displayed on the website of the Company i.e. <https://www.sbicard.com/en/who-we-are/annual-reports.page>.

CEO/CFO CERTIFICATION

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the CEO and CFO of the Company have certified the accuracy of the Financial Statements, the Cash Flow Statement and adequacy of Internal Control Systems for financial reporting for the year ended March 31, 2023.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

The Code of Conduct of the Company aims at ensuring consistent standards of conduct and ethical business practices across the Company. This Code is reviewed on an annual basis and the latest Code is available on the website of the Company at <https://www.sbicard.com/en/who-we-are/policies-and-codes.page>. Pursuant to Listing Regulations, a confirmation from the Managing Director & CEO regarding compliance with the Code by all the Directors and Senior Management of the Company forms part of the Annual Report.

CORPORATE GOVERNANCE INCLUDING DETAILS PERTAINING TO BOARD MEETINGS, PERFORMANCE EVALUATION, COMMITTEE DETAILS, VIGIL MECHANISM, CREDIT RATING, ETC.

Your Company has a strong and committed corporate governance framework, which encompasses policies, processes and people, by directing, controlling and managing activities with objectivity, transparency and integrity.

Your Company is committed to ensure fair and ethical business practices, transparent disclosures and reporting. The focus of the Company is on being compliant towards statutory requirements, regulations and guidelines and ethical conduct of business throughout the organization with primary objective of enhancing stakeholder's value while being a responsible corporate citizen. In Compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a Report on Corporate Governance along with Certificate from Practising Company Secretary regarding compliance of conditions of Corporate Governance has been appended herewith as **Annexure 6** and forms part of this Annual Report.

Further the Corporate Governance Report which forms part of this Report also covers the following:

- (a) Particulars of the Board Meetings held during the financial year under review.
- (b) The details with respect to composition of the Committees of the Board and establishment of Vigil Mechanism.

- (c) The manner in which formal annual evaluation of the performance of the Board, its Committees and of individual directors has been made.
- (d) Compliance with provisions under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (e) The credit ratings of the Company as at the end of March 31, 2023.
- (f) Name of the Debenture Trustees with full contact details.

ACKNOWLEDGEMENT

Your Directors wish to thank the Reserve Bank of India, Company's Bankers, customers, shareholders, employees and collaborators for their valuable assistance, support and co-operation.

For and on behalf of the Board

Dinesh Khara
CHAIRMAN
DIN: 06737041

Date: July 10, 2023
Place: Mumbai

Annexure - 1 to the Board's Report

FORM NO. AOC-2

(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Sl. no	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Transaction value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188.
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Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including Transaction, value if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any (in ₹)
1	State Bank of India , Holding Company	<ul style="list-style-type: none"> • Finance charges • Advertisement, sales promotion (incentives) & Collection • Cost allocations and other arrangements • Borrowings (including Interest) • Fixed Deposit (including Interest) • Fees and Commission, Bank charges • Royalty Expenses • Loans & Advances and other adjustments • Contribution to Other Fund • Dividend Paid (exempted under Listing Regulations) • Cash & Bank Balance • Lease Rentals 	Ongoing	<p>All the transactions are in ordinary course of business and are at arms' length.</p> <p>(The values of transactions are disclosed in notes to accounts)</p>	Not Applicable as the Transactions are entered in the Ordinary Course of Business and at arms' length.	20,00,000/-

Note: The above disclosures on material transactions are based on threshold prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

For and on behalf of the Board

Date: July 10, 2023
Place: Mumbai

Dinesh Khara
Chairman
DIN: 06737041

Annexure -2 to the Board's Report

ANNUAL REPORT ON CSR ACTIVITIES FOR FY 22- 23

1. Brief outline on CSR Policy of the Company:

SBI Card is committed to simplify the lives of its stakeholders through trust and excellence. Being a responsible corporate citizen, it has integrated Corporate Social Responsibility in the way it conducts its business. It has taken up innovative CSR projects with an aim to create sustainable impact by facilitating access, enhancing collaboration, and building capacity.

The Company's CSR vision is for an inclusive society where everybody has access to opportunities, financial security, and quality of life.

The Company's CSR mission is to be a significant contributor in India's growth story, by undertaking innovative, technology driven and impactful CSR programs with underprivileged communities.

2. Composition of CSR Committee (as on March 31, 2023):

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rajendra Kumar Saraf	Chairman, Independent Director	4	4
2	Mr. Rama Mohan Rao Amara	Member, Executive Nominee Director	4	4
3	Mr. Mihir Narayan Prasad Mishra	Member, Non-Executive Nominee Director	4	4
4	Mr. Dinesh Kumar Mehrotra	Member, Independent Director	4	4

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.

Composition of the current CSR committee: <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/composition-of-board-of-directors-and-committees.pdf>

CSR Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/csr_policy_sbicpsl.pdf

CSR Projects: <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/CSR-projects-undertaken-in-FY-22-23-Disclosure.pdf>

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

The Company carried out impact assessment of CSR projects on following projects in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 –

Sl. No.	Implementing Partner	Project	Amount Spent (in ₹)
1	Saint Hardayal Educational and Orphans Welfare Society	The project aims to support food, medical care and operational expenses for care of 200 abandoned, destitute and homeless elderly and CAPEX support.	1.18 Crores.
2	International Association For Human Values	To strengthen healthcare infrastructure as a requirement by RNT Medical College, Udaipur by providing 14 ICU ventilators.	1.62 Crores.
3	Americares India Foundation	The project aims to strengthen medical infrastructure by providing equipment and facilitate its usage in PGIMS, Rohtak.	3.26 Crores.
4	Rotary Club of Banjara Hills Charitable Trust	Under this project, palliative care for terminally ill cancer patients is provided, for whom 'treatment to cure' is no longer effective. Objective of the project is to 'alleviate pain without curing,' and offer everyone a personal, warm & dignified departure.	1.60 Crores.
5	Yuva Unstoppable	Supporting district authorities by providing Ventilators, Bi-PaPs and rapid antigen kits required in COVID Care Centers, Gurugram, India.	1.60 Crores.

Sl. No.	Implementing Partner	Project	Amount Spent (in ₹)
6	Smile Foundation	Supporting five mobile primary health care units providing doorstep delivery of medical facilities to the underprivileged in Delhi, Gurugram, Chennai and Agra (Uttar Pradesh).	1.68 Crores.
7	Indian Pollution Control Association	To develop sustainable supply chain and strengthen segregation and collection of plastic waste. In addition to this, the project would recycle plastic waste for commercial use.	2.86 Crores.
8	Samdrushti Kshamata Vikas Evam Anusandhan Mandal - SAKSHAM	Serving the middle, low-income group, geriatric, and differently abled people who lack proper resources for required treatment though strengthening infrastructure of COVID Care Centers along with distributing medical kits and food kits.	1.77 Crores.

Please refer to Annexure - A for executive summary of Impact Assessment undertaken by Independent Agency. Further the detailed Impact Assessment Report is available at the website of the Company at <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/IA-Report-SBICPSL-july23.pdf>

5.
 - a. **Average net profit of the Company as per sub-section (5) of section 135.** – ₹ 1899.11 Crores
 - b. **Two percent of average net profit of the company as per sub-section (5) of section 135.** – ₹ 37.98 Crores
 - c. **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.** – Nil
 - d. **Amount required to be set-off for the financial year, if any** - Nil*
 *₹ 0.004 Cr. relates to CSR overspent of financial year 2020-21 and is being carried forward to be set-off in the three subsequent financial years following FY 2020-21. Please note that the set-off of ₹ 0.004 Cr. has not been claimed in the current financial year and is being carried forward to be set-off in coming financial year.
 - e. **Total CSR obligation for the financial year [(b)+(c)-(d)].** – ₹ 37.98 Crores
6.
 - a. **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).** – ₹ 34.53 Crores
 - b. **Amount spent in Administrative Overheads.** – Nil
 - c. **Amount spent on Impact Assessment, if applicable.** – ₹ 0.03 Crores
 - d. **Total amount spent for the Financial Year [(a)+(b)+(c)].** – ₹ 34.56 Crores
 - e. **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
34.56 Crores	3.42 Crores	18-04-2023	NA	NA	NA

- f. **Excess amount for set-off, if any:** NA

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	37.98 Crores
(ii)	Total amount spent for the Financial Year	34.56 Crores
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8	
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any Amount (in ₹)	Date of Transfer	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
1	FY 2021-22	0.25 Crores	Nil	0.25 Crores	Nil	NA	Nil	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes No

If Yes, enter the number of Capital assets created/ acquired; **NA**

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135. –

During the financial year 2022-23, the Company had a total CSR obligation of ₹ 37.98 Cr. against which it has spent ₹ 34.56 Cr. Amount remaining unspent for the FY 2022-23 stands at ₹ 3.42 Cr. The unspent amount relates to different ongoing projects which could not spend full amount allocated due to practical challenges on ground. This amount has been transferred into CSR Unspent Account as per the provisions of Section 135(6) and will be utilized in pursuance of the Company's CSR policy as per provision of the Companies Act and Rules made thereunder.

For and on behalf of the Board

Rama Mohan Rao Amara

MD & CEO
DIN:08951394

Rajendra Kumar Saraf

Chairman, Corporate Social
Responsibility and ESG Committee
DIN:02730755

Dinesh Khara

Chairman
DIN:06737041

Annexure A - Executive Summary

BACKGROUND:

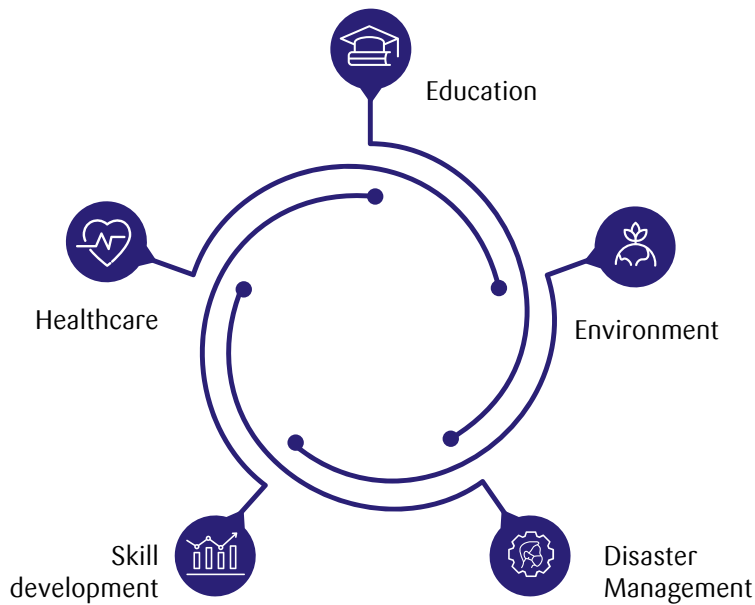
SBI Cards and Payment Services Limited (SBI Card) is committed to **simplifying the lives of its stakeholders through trust and excellence**. Being a responsible corporate citizen, it has **integrated Corporate Social Responsibility (CSR)** in the way it conducts its business. It has taken up innovative CSR projects with an **aim to create sustainable impact by facilitating access, enhancing collaboration and capacity building**. The Company's CSR **vision** is for an inclusive society where everybody has access to opportunities, financial security and quality life and CSR **mission** is to be a significant contributor in India's growth story by undertaking innovative, technology driven and impactful CSR programs with underprivileged communities.¹



The above schematic gives a snapshot of the Corporate Social Responsibility (CSR) initiatives undertaken by SBI Card in the Financial Year 21-22 as per SBI Card Annual report 2021-22.²

The thematic focus areas of SBI Card under CSR are shown below:

FIGURE 1: SBI CARD CSR THEMATIC AREAS³



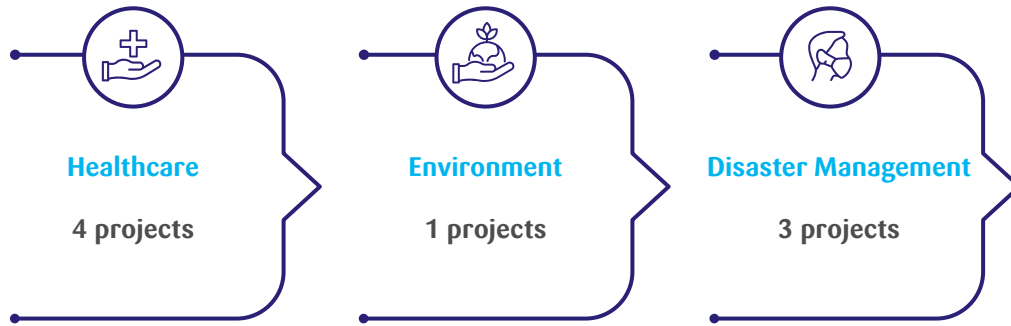
¹ Source: SBI Card Annual report 2021-22 <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sbi-card-annual-report-fy-2021-22.pdf> (Page 88)

² Ibid (Page 53) The above data / information has not been reviewed or validated as part of the impact assessment study.

³ Ibid (Page 52 – 53)

SBI Cards and Payment Services Limited (SBI Card) has been **implementing a gamut of interventions** for communities in & around their geographical presence. In the first phase, this study was commissioned to carry out **impact assessment of 8 CSR projects implemented by SBI Card** across India to understand the direct and indirect impacts of their CSR interventions on the communities. A memorandum of understanding (MoU) with the implementing partners were signed by SBI Card who supported them to implement these CSR programmes on ground. As highlighted by SBI Card, their role was to assess the need & strength of implementing partners, design the projects, provide financial support and undertake continuous monitoring. The below schematic presents the **sector wise grouping** of the 8 projects which formed a part of impact assessment:

FIGURE 2: SECTOR WISE GROUPING OF SBI CARD EIGHT CSR PROJECTS



SCOPE OF WORK & APPROACH:

An independent impact assessment study of the 8 CSR projects mentioned in the above section was conducted. The scope of work includes understanding the project implementation plan and reviewing the Key performance indicators (KPIs) as defined by the Management under the framework for implementing the CSR project for the outputs, outcomes, and impact of the Project. Framework used was Inclusiveness, Relevance, Efficiency, Convergence, and Sustainability framework (the 'IRECS') as agreed with the Management. The objective of the study was to assess the outcomes and impact created on the stakeholders covered under the project and provide recommendation on the project performance for Management's evaluation.

The scope of work included the following:

1. To assess SBI Card's CSR initiative performance as per the pre-defined targets defined in the MoU signed with Implementing Agency for the respective CSR Project under review;
2. To assess the impact created by Project on ground and on larger ecosystem, as applicable;
3. To gather feedback of key stakeholders for respective CSR project and to provide the feedbacks to the Management for their further incorporation of the same in implementation of the programme, if any;
4. Further, how respective CSR Project undertaken by the Company are broadly mapped with the Sustainable Development Goals (SDGs) and Environmental, Social, Governance (ESG)* vision of the Company
5. To provide recommendations for respective CSR Project on the project performance for Management's evaluation

⁴ Detailed review of ESG vision was not a part of the scope

Project wise study methodology and interactions with stakeholders for data collection⁵ :

#	Sector	CSR project under impact assessment	Methodology	Sampled location for the study	Stakeholders interacted with
1	Healthcare	Centre for palliative care and end of the life care to provide palliative care services, home care and outpatient services, to terminal cancer patients and non-cancer patients (Rotary Club of Banjara Hills Charitable Trust)	Mixed Method approach (Qualitative and quantitative assessment)	Hyderabad	<ul style="list-style-type: none"> · Caregivers (quantitative) · Sparsh team · SBI Card team · Beneficiaries
2	Disaster Management	Strengthening infrastructure of COVID Care Centers (CCC) in Hyderabad and Visakhapatnam; along with distributing medical kits and food kits – Samadrishti, Kshamata Vikas Evam Anusandhan Mandal (SAKSHAM)	Qualitative assessment	Hyderabad	<ul style="list-style-type: none"> · CCC management staff and doctors · SAKSHAM team · SBI Card team · Beneficiaries
3	Disaster Management	Equipment support for COVID Care Centres in Gurugram (Yuva Unstoppable)	Qualitative assessment	Gurugram	<ul style="list-style-type: none"> · CCC management · Deputy CS · Yuva Unstoppable team · SBI Card team
4	Healthcare	Supporting capex and operating expenses including food and medical care of 200 abandoned, destitute and homeless elderly – Saint Hardyal Educational and Orphans Welfare Society (SHEOWS)	Qualitative assessment	Garhmukteshwar and Delhi	<ul style="list-style-type: none"> · SHEOWS team · Doctors, nurses, and other staff · SBI Card team
5	Environment	Innovative mechanism for management of plastic waste – Indian Pollution Control Association (IPCA)	Qualitative assessment	Gautam Budh Nagar and Delhi	<ul style="list-style-type: none"> · Residents · Ragpickers · East Delhi Municipal Corporation (EDMC) · IPCA team · Facility workers · SBI Card team
6	Healthcare	Smile on Wheels (Smile Foundation)	Mixed Method approach (Qualitative and quantitative assessment)	Delhi, Gurugram, Agra	<ul style="list-style-type: none"> · Community (quantitative) · Community mobiliser · Smile Foundation team · Doctors · SBI Card team
7	Disaster Management	Strengthening healthcare infrastructure of Ravindra Nath Tagore (RNT) Medical College, Udaipur – International Association for Human Values (IAHV)	Qualitative assessment	Udaipur	<ul style="list-style-type: none"> · RNT Medical college management and doctors · SBI Card team
8	Healthcare	Strengthen healthcare infrastructure at Pandit Bhagwat Dayal Sharma Post Graduate Institute of Medical Sciences (PGIMS) in Rohtak, Haryana – Americares India Foundation	Qualitative assessment	Rohtak	<ul style="list-style-type: none"> · PGIMS management and doctors · Americares team · SBI Card team

⁵ Field visits were conducted in all projects to map impact and interact with key stakeholders

PROJECT WISE FINDINGS:**PROJECT 1: CENTRE FOR PALLIATIVE CARE AND END OF THE LIFE CARE TO PROVIDE PALLIATIVE CARE SERVICES, HOME CARE AND OUTPATIENT SERVICES, TO TERMINAL CANCER PATIENTS AND NON-CANCER PATIENTS (ROTARY CLUB OF BANJARA HILLS CHARITABLE TRUST)**

SBI Card initiated a project to augment Centre for **palliative care and end of the life care to provide palliative care services, home care and outpatient services, to terminally ill patients** in January 2021 with implementing partner Rotary Club of Banjara Hills Charitable Trust. The project provides palliative care services, home care and outpatient services, to terminally ill patients with life limiting diseases residing at the SPARSH hospice facility (an initiative run by Rotary Club of Banjara Hills Charitable Trust). Community awareness sessions were also conducted about the need & importance of palliative care and the services offered at the hospice centre. 93% of the caregivers were immediate family members while others were relatives and friends. 44% caregivers informed that they used the hospice for availing homecare services:

Following schematic represents the key aspects of project implementation:



Project reach: **791 terminally ill** beneficiaries



Project period: **January 2021 - September 2021**



Project location: **Hyderabad, Telangana**

The number of patients served during the project duration and the sample covered under the impact assessment study is mentioned in the table below:

Services offered by the hospice	Number of patients during the project duration	Sample covered under the impact assessment study
In-patient	195	53
Out-patient	160	20
Homecare	436	58
Total	791	131

KEY FINDINGS:

In-patient services: The hospice has **served 195 in-patients during the project period**. The caregivers stated that they used **services like pain relief medications, symptom management, changing of wound dressing, patient personal care & assistance, emotional aid, counselling, companionship, celebrating important occasions** (like festivals, birthday, anniversary, etc.).

- **81% of the caregivers** stated that there was **multiple engagement with the patients** to keep them **entertained & engaged**.
- Some of the caregivers recalled that their **patients** were suffering from depression, anger and anxiety and **felt like giving up**. However, the hospice staff came specially to meet & interact with the patients and tried to make them laugh, open and be comfortable which helped the patients with the mental agony they faced. Further, the caregivers highlighted that **counselling** helped them **come out** of the **negative mental state**.
- **100% and 89% of the respondents reported that the hospice focus on physical and psychosocial pain treatment**. However, few caregivers (15%) reported that the hospice focuses on alleviating spiritual pain.
- **85% of the caregivers** stated that the **patient experienced reduction in the pain level** while their stay **at the hospice**.
- **All the caregivers** who availed the in-patient services **rated the hospice '5' on all the parameters** (Services, availability of equipment & consumables, attitude & behaviour, engagement with the patient, emotional aid & counselling to the patient and family). The caregivers highlighted that the patients had a **comfortable, engaging, happy and peaceful environment in the hospice** due to which the **patients and their family** got **mental peace** as their patient **received adequate palliative care**. The patients departed in a peaceful, **dignified and pain-free manner** in the presence of their family and hospice staff.

Out-patient services: The out-patient visit is done by the patients/ caregivers for availing services like changing of wound dressing, adequate symptom management, provision of drugs & medicines, companionship & emotional support, and counselling. The doctors and nurse interact with the patient to understand their present condition and do the check-up and treatment (if applicable). **The hospice has served 160 out-patients during the project period.**

- **Adequate symptom management (100%) and provision of drugs and medicines (100%)** were **most used** services, while changing of wound dressing (25%) was the least used service by the out-patients
- **55% of the caregivers** reported **using the out-patient services** on a **weekly basis**. The caregivers also highlighted that the **patient's and family's privacy** was **always respected** while availing the services.
- The caregivers stated that the **average waiting time** till the patient was **attended** by the hospice staff was around **10-15 minutes**. They further informed that it was spent in **assessing the condition of the patient** from the **check-ups** and **discussion with the family/ attendant**.
- The caregivers and the patients **never faced any difficulty in accessing the care** & during the waiting time. They were **always assured** that they would be **treated timely with utmost care, professionalism, and quality**.

Homecare services: The homecare visit is done either **as a follow-up care done by the hospice staff or due to the request made by the caregivers/ patients**. The homecare visit team comprises of the nurses, social counsellor, and doctor. The homecare visit is done for providing services like changing of wound dressing, doctor's consultation, replenishment of medicines & pain patches, psychological, social & spiritual support, and bereavement support. **The hospice has served 436 homecare patients** during the project period.

- **Doctor's consultation (84%)** was the **most availed** homecare service while changing of wound dressing was the least availed (22%) homecare service.
- **Most patients** availed the homecare services on a **weekly basis (53%)**.
- **All the caregivers** informed that they **always got the requested service** from the hospice and in a **timely manner**. Mostly, it was **within 2 to 3 hours** since they made the request and **maximum by next day**. But **none of them** said that they **faced any delays/ cancellations** of the request.
- **84% of the caregivers** stated that the hospice **staff provided informal training** to the caregivers and family to **provide better palliative care at home**. The doctors, nurse and social counsellor came to assess the condition of the patient and suggested what is the best palliative care option for them.
- The caregivers highlighted that the **patient got relief from the pain** and with the help of the **counselling and emotional support** extended by the hospice staff, the patients and the family were **able to accept the inevitable outcome**.

Awareness sessions and overall impact of all the services: The Sparsh team focuses on creating awareness sessions in the community and institutions by reaching out to the society to create more awareness on palliative care amongst the health care professionals and the public. During the **project period**, Sparsh has **conducted 4 physical community awareness sessions** and the **rest of the sessions** were **conducted on social media** due to the **Covid pandemic**.

- **9% of the caregivers** were **aware of the community awareness sessions** provided under the programme. **Out of those, only 8%** stated that Sparsh **conducted awareness sessions in their city/ village** regarding importance of palliative care, provide comfort, emotional support & counselling.
- The **aspects covered** in these sessions included **importance of palliative care and end of life care, enhancing quality of life of patients, well-being of family members** by **emotional aid & counselling**, and **information about the services & hospitality at the hospice facility**.
- The awareness sessions **led to a great extent of increase** in awareness like palliative care and end of life care, **positive behavioural changes** like **accepting & making the departure of the patient dignified, increased community awareness and participation in holistic engagement** with the patients, and **increased empathy and support** to the patient.

KEY RECOMMENDATION(S):

- There is a **low level of awareness** on **need for** and **importance of palliative care** and many patients and their family members are **not aware** of the **various services** which are available for the same. Hence, for similar natured CSR projects, it is suggested to align the project stakeholders through **regular awareness programmes** on the different project related activities so that the project **can reach** out to **larger group of people** for the project to be able to provide palliative care support.
- **100% and 89% of the respondents reported that the hospice focus on physical and psychosocial pain treatment. However, few caregivers (15%) reported that the hospice focuses on alleviating spiritual pain.** Hence, the **hospice needs to focus on treating the spiritual pain** as well to **address** the psychological and **spiritual issues** of patients and their caregivers.

PROJECT 2: STRENGTHENING INFRASTRUCTURE OF COVID CARE CENTRES IN HYDERABAD AND VISAKHAPATNAM; ALONG WITH DISTRIBUTING MEDICAL KITS AND FOOD KITS (SAKSHAM)

SBI Card initiated a project for **strengthening the infrastructure of two COVID Care Centres (CCCs)** (Durgabai Deshmukh hospital in Telangana & Dr. Hedgewar hospital in Andhra Pradesh) **along with distributing medical kits and food kits** in Hyderabad and Visakhapatnam. The project was implemented by Samadrishti, Kshamata Vikas Evam Anusandhan Mandal (Saksham). **Provision of community/ medical Kits** (which included basic equipment for home care) for **patients with mild Covid** symptoms and **distribution of food kits** were undertaken to **isolated families & differently abled individuals** identified through the Saksham help line.

Following schematic represents the key aspects of project implementation:



Project reach: **1233 Households (HHs) for food kits, 500 HHs medical kits, 176 beneficiaries** for the two CCCs



Project period: **June 2021 - March 2022**



Project location: **Andhra Pradesh, Telangana**

KEY FINDINGS:**Disaster response and emergency preparedness:**

- The CCC doctors and the Medical Director of Durgabai Deshmukh hospital, Telangana informed that the **CCC did not have equipment and consumables** for patient management **before the SBI Card project**. The intervention in both the locations **helped doctors and the staff to manage case load of moderate and severe Covid patients** with the availability of **ventilators, and other support** provided.
- The doctors and the Medical Director stated that the **project supported the end of the second wave. Before the support** from SBI Card was received, they continued treating patients, but **had to prioritise** treatment based on the **equipment available** at that time and the **severity of the patient's condition**.
- The **District Administration, doctors and nurses** were **anticipating subsequent Covid waves** and highlighted that the **equipment support provided by SBI Card helped** them in **better emergency preparedness for future Covid waves (if any)**.

Access to good quality and free of cost health care:

- The **CCCs were setup** in the **healthcare facilities** which were **located around residential areas** focusing to meet the needs of the patients due to **high number of Covid cases in the community** and **lack of adequate facilities in the nearby CCCs and healthcare facilities**.
- The **establishment** of the temporary **CCCs** led to **increased capacity** of the **districts to treat and accommodate a greater number** of patients and ensured the **timely administration of medical treatment** to the patients. It also helped in **strengthening the health infrastructure as most of the equipment were lifesaving and essential**.
- The doctors highlighted that the **medical equipment provided by SBI Card** under the project were of **reputed brands and best quality**. The **patients could access good quality and free of cost Covid care** which was very **difficult** to obtain specially for **middle- and low-income group** people at that time who were **unable to afford high-cost intensive treatments** from other private healthcare institutions.

- The **support saved the lives of the critical Covid positive patients** which would have **costed them ₹ 10-15 Lakhs** (as reported by the Medical Director and doctors of Durgabai Deshmukh hospital) **outside for treatment, ventilation support, stay, etc.**

Distribution of food kits:

- The beneficiaries stated that **most of them lost their jobs and affording ration for themselves & their families' sustenance was a major challenge** for them during the Covid period. The beneficiaries further informed that they **faced the challenge of food security** and were **managing** the same by **borrowing money**, from **ration distributed by state government**, etc.
- The beneficiaries stated that they **all received the food kit once** which **lasted for around twenty days** on an average each **for a family of four** members; and **adequate Covid protocols** like social distancing, hygiene etc. were **followed during distribution**.
- The beneficiaries reported that the food kits helped them and their families in fulfilling the much-needed nutritional intake for those twenty days providing them food security and relief.

Provisioning of medical kits:

- The medical kit support was **provided to mild Covid positive patients and who couldn't afford** a basic medical kit. Hence, **affording medical equipment** like spirometer, essential medicines, face masks, sanitisers, etc. for **preventing and treating Covid was a major challenge** for them.
- The beneficiaries stated that they **all received the medical kit once** and the kit **included perishable items (face masks, sanitisers, essential medicines, etc.)** and other **equipment like thermometer, steam vaporiser, spirometer**, etc. which are **still being used by them and their family**.
- The beneficiaries highlighted that the **medical kits were helpful** in supporting them and their families' by **limiting further spread of the Covid disease** to family members and others in the community. However, **few of the beneficiaries** stated that they **faced challenges in using the medical kit components** and had to **seek help from either the internet, family, or friends** for the same.

Contributing to the healthcare infrastructure post project closure:

- The **CCCs have been dismantled post the second wave** of Covid, **however**, the **equipment provided** to the CCCs **continues to be functional** in the Vivekananda Medical Trust hospital, Vishakhapatnam, Andhra Pradesh till date and **caters to the general community in need of healthcare**.
- The **equipment has been transferred to appropriate healthcare facilities** (in consultation with SBI Card) and are **still being used to treat patients in the intensive care unit (ICU) ward, emergency ward and labour room** in the Vivekananda Medical Trust hospital. Hence, **ensuring the long-term sustainable impact** of the project undertaking **towards public healthcare**.

KEY RECOMMENDATION(S):

- **The beneficiaries highlighted that the medical kits including perishable items and others were helpful in supporting them and their families' by** limiting further spread of the Covid disease to family members and others in the community. Beneficiaries may be provided **more guidance** on the usage of the **medical kit components** (like the thermometer, steam vapouriser, spirometer etc.) as few of the beneficiaries stated that they faced challenges in the same.

PROJECT 3: EQUIPMENT SUPPORT FOR COVID CARE CENTRE IN GURUGRAM (YUVA UNSTOPPABLE)

SBI Card initiated a project for **Equipment support for COVID Care Center (CCC) in Gurugram at Tau Devi Lal Stadium**, which was converted to a temporary CCC in Islampur Colony, Sector 38. The Memorandum of Understanding (MoU) was signed between Yuva Unstoppable (implementing partner) and SBI Card with an **aim to support district authorities** with few **equipment (Ventilators, BiPAP machines and Rapid Antigen Test kits)** required in the CCC.

⁶ Source: MoU signed between Yuva Unstoppable and SBI Card

List of equipment provided in CCC Islampur Colony

S. No.	Description / Instrument	Total quantity
1.	Ventilator – (make Philips)	10
2.	Ventilator – (make Drager)	2
3.	BiPAP	20
4.	Rapid Antigen Test (RAT) Kit	45,300

The below schematic presents the key aspects of project implementation:⁶



Project reach: Mild and severe covid positive patients



Project period: May 2021 - November 2021



Project location: Gurugram

KEY FINDINGS:

Disaster response and emergency preparedness:

- The Deputy Civil Surgeon (CS) informed that the **doctors and nurses were facing shortage of test kits and ventilators** which created **challenges** in the **testing and treatment** of the **Covid positive patients**. The **SBI Card support** through this project **helped in providing good quality equipment** which was the **need of the hour** for the **patient management**.
- The Deputy CS further highlighted that the **process of procuring the ventilators, BiPAP machines and test kits took just 1.5-week time** which **led to immediate setup and usage of equipment** in the CCC. This helped the **District Administration** to **tackle rising Covid cases** by utilising the **timely availability of the required equipment** resulting in **extending care to maximum number** of beneficiaries.
- The **District Administration, doctors and nurses** were **anticipating subsequent Covid waves**, and the **equipment support helped** them in **preparing better for disaster response and emergency preparedness**.

Access to good quality and free of cost health care:

- The **CCC was setup** in the **stadium** which was **located around slums & residential areas** focusing to meet the needs of the patients due to **arising number of Covid positive cases** in the community. Though, **some healthcare facilities** were available in the **vicinity**, they were **not sufficient** to **meet the needs** of the patients.
- The temporary **CCC led to increased capacity** of the **district to treat and accommodate a greater number** of patients and ensured the **timely administration of medical treatment** to the patients. The CCC **benefitted the community** by **providing access, free of cost and quality Covid care** to the patients.
- The **patients** could **access good quality and free of cost Covid care** which was very **difficult** to obtain specially for **middle- and low-income group** people at that time who were **unable to afford high-cost intensive treatments** from other private healthcare institutions. The **support saved the lives of the critical Covid positive patients** which **otherwise** would have **costed higher**.

Contributing to the healthcare infrastructure post project closure:

- The **CCC has been dismantled post the second wave** of Covid, **however**, the **equipment provided** to the CCC **continues to be functional** in the Civil Hospital, Sector 10 and Polyclinic, Sector 31 Gurugram till date and **caters to the general community treatment**.
- The **equipment is currently being used to treat patients in the intensive care unit (ICU) ward, emergency ward and labour room** in the Polyclinic, Sector 31, Gurugram and Civil Hospital, Sector 10, Gurugram. Hence, **ensuring the long-term sustainable impact** of the project undertaking **towards public healthcare**.

⁷ Source: Addendum to the Corporate Social Responsibility Master Agreement shared by SBI Card

Helped in curtailing the spread of Covid infection:

- As highlighted by the Deputy CS, the **project provisioned additional supply of 45,300 Rapid Antigen Test (RAT) kits** which **helped in testing and rapid diagnosis** of the Covid infection in the patients visiting the CCCs. This helped in **identification and prompt isolation** of the patient from the rest of the community which **led to a break in the transmission and spread** of the infection to other people.
- The **CCC had already started** its operation **before the SBI Card support**, but the **limited availability of equipment** was a **hindrance** to cater to a greater number of patients which was **reduced after the SBI Card intervention**. He also stated that the equipment provided by SBI Card were of high quality and standards.

KEY RECOMMENDATION(S):

- The **District Administration, doctors and nurses** were **anticipating subsequent Covid waves**, and the equipment support helped them in **better preparation** along with **strengthening the health infrastructure** of Gurugram. As discussed with the stakeholders, the health infrastructure in the region needs strengthening, hence, additional support from SBI Card could be provided to **further strengthen the health infrastructure to cater to other health priorities of the region** as well.

PROJECT 4: SUPPORTING CAPEX AND OPERATING EXPENSES INCLUDING FOOD AND MEDICAL CARE OF 200 ABANDONED, DESTITUTE AND HOMELESS ELDERLY (SHEOWS)

SBI Card initiated a project for Supporting capex and operating expenses including food and medical care of 200 abandoned, destitute and homeless elderly in Delhi and Garhmukteshwar (Uttar Pradesh). SBI Card signed Memorandum of Agreement (MoA) with Saint Hardayal Educational and Orphans Welfare Society (SHEOWS) in January 2021 to implement the project. The objective of the project was to provide capex and operating expenses for care of 200 abandoned, destitute and homeless elderly with an aim to enhance their health and wellbeing. The capex component was for Special Care Unit (SCU) and fowler beds for patients, rescue vehicle for rescue of the homeless elderlies to bring them to SHEOWS ashram, patient transfer vehicle to transfer patients from Delhi ashram to Garhmukteshwar ashram, and genset for continued electricity availability at the ashram. The opex component was for the support of food expenses, medical care, recreation activities and day-to-day support.

The below schematic presents the key aspects of project⁷:



Project reach: **200** homeless elderlies



Project period: **January 2021 - March 2021**



Project location: **Delhi and Garhmukteshwar**

KEY FINDINGS:

Better living conditions for the homeless elderlies:

- The destitute homeless elderlies **are rescued with the help of rescue vehicles** and are brought primarily to the Ashram in Badarpur, Delhi (some elderlies are also rescued from areas near to the Ashram at Garhmukteshwar, who are taken to the Ashram at Garhmukteshwar).
- These homeless elderlies after being rescued get one of the most basic needs of shelter fulfilled.
- The shelters include facilities for **comfortable stay like beds, lifts, geysers, television, clean water, open space to move around, etc.** There is also provision for medical facilities in the Ashram. The Ashrams have 24 hours on-duty staff for assistance and a big entrance for entry and exit making it a safe and secure shelter for the elderlies. Overall, the Ashrams provide the much-needed shelter to these destitute homeless elderlies.

Enhanced nutrition for the homeless elderlies:

- The elderly beneficiaries at the Ashrams were provided with timely balanced diet of three course meal (breakfast, lunch and dinner) for nutrition. The diet contains low fat and green leafy vegetables.
- Doctors also suggest customised meals based on the medical and health needs of the beneficiaries on a case-to case basis (such as beneficiaries suffering from diabetes, hypertension, etc.) **by regular medical check-up** and laboratory tests as needed.
- The **food is prepared hygienically in the in-house kitchen with omission of human intervention** wherever possible like using roti maker for making rotis and using vegetable chopper for chopping vegetables. Other than the meals, the beneficiaries are also provided with **milk and tea** in the morning and evening. This helps the elderlies in fulfilling their daily nutritional requirements.

Improved health conditions of the homeless elderlies:

- The destitute homeless elderlies who are rescued by the SHEOWS team are provided with immediate medical care by health professionals as they first arrive at the ashram.
- **Regular pathological tests** like blood test (Haemoglobin, Liver Function Test, etc.) were also conducted to monitor the health of the elderlies.
- **Physiotherapy sessions** are conducted daily with the elderlies to help them reduce pain, to improve joint movements and to increase mobility. Elderlies are identified for physiotherapy on the basis of recommendation by the medical doctors and assessment by physiotherapist.
- There is also a provision of **special care unit** to attend to the cases of critical cases with advanced medical facilities like oxygen support, ventilators, etc.
- The doctors informed that at the time of rescue, these elderlies were generally suffering from multiple ailments and were in very poor health conditions. The holistic medical care provided at the Ashrams helped the elderlies in improvement of their overall health.

Augmented social conditions and mental state for the homeless elderlies:

- **Regular recreational activities** like singing, dancing, painting, yoga, bhajan sessions (in-person and virtual), ball games, movie screening and mobile games, etc. to keep the elderly active both physically and mentally.
- As revealed during the conversation with SHEOWS staff, it was found that these **elderlies are referred to as “Amma” and “Baba”, giving them a sense of family and respect.** These recreational activities and support helped the elderlies feel a sense of social bonding, belongingness and homeliness which resulted in their improved mental state.

Key Recommendation(s):

- During the discussion with the staff, it was informed that few caregivers were trained in-house through on-the-job training by imparting them practical exposure by experienced staff, however it is recommended that caregivers should be provided **further training on geriatric care** which will help in strengthening the care process and help new caregivers.

Project 5: Innovative mechanism for management of plastic waste (IPCA)

SBI Card initiated a project for Innovative mechanism for management of plastic waste. SBI Card signed Master Service Agreement (MSA) with India Pollution Control Association (IPCA) in February 2021 to implement the project. The objective of the project was to develop sustainable supply chain and strengthen segregation and collection of plastic waste. The project aimed to develop, strengthen, and further sustain these linkages and achieve appropriate plastic waste management and was able to reach 30,000 beneficiaries. The proposed Dry Waste Collection centre had to have a capacity to process 2 MT of dry waste per day. The recycling facility had to have the processing capacity of 30 MT plastic waste per day. The expected produce from the recycling plant was 2,000 plastic sheets which were to be sold in the market.

The below schematic presents the key aspects of project:¹¹



Project reach: **30,000**
beneficiaries



Project period: **February 2021 -
January 2022**



Project location: **Delhi and
Greater Noida**

⁸ Source: Master Service Agreement between SBI Card and IPCA shared by SBI Card

⁹ Source: PWM Certificate shared by SBI Card

¹⁰ Source: Master Service Agreement between SBI Card and IPCA shared by SBI Card

¹¹ Source: Project Closure Report shared by SBI Card

¹² Source: Project Closure Report shared by SBI Card

KEY FINDINGS:

Increased awareness on waste segregation:

- **Awareness sessions on waste management were held** with the community to promote behavioural change regarding household level waste segregation. Awareness sessions on the **topics of waste generated at household level, hazards related to improper handling of waste, and segregation of waste at household level** were conducted with the residents
- This **helped elevate the awareness regarding waste handling and source segregation** among the residents and brought about a degree of behavioural change in the practice of source segregation at household level.

Improved health conditions of the residents and ragpickers:

- The practice of proper disposal of waste through source segregation at the household level and subsequent cleaning of the areas through collection of low-grade plastic waste utilised under the project helped in improving the cleanliness of the surroundings.
- The incidences of water logging have reduced due to minimised ad-hoc dumping of plastic and other waste in the locality. This has, in turn, resulted in the **lowered disease spread** in the community especially, the water borne diseases.
- This brought positive impact on health of the residents and ragpickers as they fell sick less often than before when the surrounding was unclean and there was improper waste dumping in the community.

Livelihood creation and income enhancement:

- There has been enhancement in the income of Material Recovery Facility (MRF) facility workers, **now that they earn an average of ₹ 10,000 per month against ₹ 4,000-5,000 per month earlier working as ragpickers.**
- The project has also **helped enhance the income of the ragpickers from daily wages of ₹ 100 before the project to ₹ 250** at present.

Nutritional and educational enhancement for ragpickers / MRF facility workers / Recycling Facility workers and their family due to increased income:

- **As a result of the enhanced income due to the project, they are now able to enhance their nutritional intake and are also able to spend on the education of their children.** This has substantially added to their way of living and helped in furthering the potential improvement of their families' lives in the future.

Plastic waste reduction and recycling:

- There has been a reduction of low-grade plastic waste from the community as it is being segregated, collected, processed, and recycled in the project where MRF facility and the recycling facility are working at **optimum capacity.**
- The **final product is a water-resistant sheet from which value-added basic products are build in-house, such as dustbins, vase, chairs, tables, etc. During the project period 3,340 Ecare boards were produced.**
- The plastic sheet is also bought by vendors to use as a **substitute of plywood** which has seen a demand from the market and this demand pull has helped develop and sustain the complete supply chain.



A total of **550.88 MT** of plastic waste has been processed during the project period at the recycling facility.

This has resulted in the positive impact on the environment by cleaning the environment (dumps/landfills/dhalaos) from the accumulation of plastic waste which otherwise takes a very long time for degradation and assimilation into the environment naturally.

¹³ Source: Project Closure Report shared by SBI Card (Assuming the sourced plastic is completely utilised every month)

¹⁴ Source: Addendum dated 2 December 2020 to Master Service Agreement between SBI Card and Smile Foundation and Project Annual report by Smile Foundation for December'20-November'21

¹⁵ Source: Project Annual report by Smile Foundation for December'20-November'21

KEY RECOMMENDATION(S):

- As reported by the material facility workers, they are provided with safety equipment like gloves, masks, boots, etc., to shield them from hazards of waste handling. The conveyer belt in the MRF also helps improve the efficiency of the process as the MRF facility workers can stand straight and don't have to bend repeatedly which also helps them from a health perspective. However, it is recommended to **introduce further automation wherever possible in the process chain** to reduce human intervention which will help reduce their exposure to potential health related hazards.
- More awareness activities could be organised** in the community which are more engaging for complete adoption of waste segregation at household level. Hence, this is an area where the project could focus to strengthen and further scale up **activities for mobilising the community** like door-to-door campaign and participatory activities to build a stronger bond with the community.

PROJECT 6: SMILE ON WHEELS (SOW) (SMILE FOUNDATION)

SBI Card initiated a project for **providing a comprehensive range of primary health care services to the under-privileged community in remote rural areas and slums through an equipped mobile medical van (MMU) – 'Smile on Wheels (SoW)'**. SBI Card signed an addendum to Memorandum of Agreement (MoA) with Smile Foundation in December 2021 to implement the project. The project intended to make primary healthcare available, accessible, and affordable for the underserved population in the slums/ villages of Delhi, Gurugram, Chennai, Agra (Urban) and Agra (Rural) through preventive, promotive & curative services at their doorsteps. A total of **139 respondents** were surveyed across Delhi Gurugram and Agra. These included beneficiaries who had availed Out-Patient department (OPD) services from the MMU.

The below schematic presents the key aspects of project:¹⁴



Project reach: **88,392 beneficiaries**

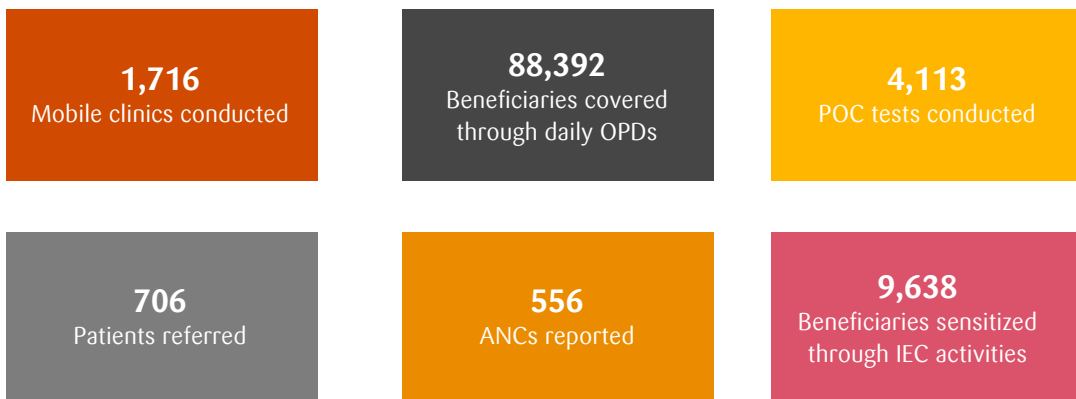


Project period: **December 2020 to November 2021**



Project location: **Delhi, Gurugram, Chennai, Agra (Urban) and Agra (Rural)**

The key achievements of the project are summarised in the chart below:¹⁵

**KEY FINDINGS:****Perceived benefits of MMU:**

- The **key benefits** reported by the beneficiaries include **saving of cost (99.3%), ease of access (98.6%), saving of time (98.6%), free medicines (95%), free consultation (95%) and doorstep availability of services (83.5%)**.
- Additionally, the reported benefits also included **free instant Point of Care (POC) tests (83.5%), early diagnosis of medical condition (60.4%) and referral for severe cases (41.7%)**.

¹⁶ Source: Addendum executed on May 14, 2021, to Corporate Social Responsibility Master Agreement dated February 08, 2021 between SBI Cards and IAHV

Expectant mothers availing regular check-ups:

- The **expectant mothers started coming to the MMU for regular basic check-ups from the first trimester** whereas earlier, expectant mothers would come even to the MMU only in the second or third trimester.

Capacity building of frontline health workers:

It was reported that the project also **supported the capacity building of the frontline health workers** [Accredited Social Health Activist (ASHA)/ Anganwadi Worker (AWW)] as the programme works along with them thus helping improve service delivery in the long run.

Reduction in out-of-pocket expenditure:

- All the services were available free of cost through the MMUs.
- Among those **who went to private clinics, local unqualified doctors, or chemists**, it was reported that on an average they **needed to incur a median cost of ₹ 350 on consultation, ₹ 150 on POC tests and around ₹ 250 when buying medicines.**
- **Among those who reported to be visiting the government hospital, it was highlighted that it results in a loss of median cost of ₹ 450 per day in terms of daily wages.** Further, it was reported that they had **to spend almost ₹ 40 to 100 in a day on the commute to and from the government hospital** which further eats into their meagre savings.
- **At the MMU, it was reported that the time required for consultation was very less** (on an average approximately only 22 minutes) **and thus there was no requirement of taking a leave from work** resulting in saving of both cost and time.

Increased awareness on health aspects:

- The **most recalled health awareness topics included hand washing (96.4%), nutrition (91.4%), communicable diseases (87.8%), Covid preventive measures (82.7%) and proper waste disposal (74.8%).**
- **Based on the location specific disease burden** (like skin infection, viral, Covid etc.) the **awareness activities were designed.**

Community perceptions about the MMU service:

- All respondents agreed that they would recommend availing MMU services to others with **99.3% expressing satisfaction with the health services provided** by the MMU and 99.3% found it very useful for the community highlighting communities perspective on quality of healthcare provided, its easy access and availability of services.

KEY RECOMMENDATION(S):

To ensure availing of health services from government hospitals after the MMU support ends, SBI Card can also consider mapping of government health care facilities around the project locations and focus on **improving the infrastructure of sub-centers and Primary Health Clinics (PHCs) in these locations** in such future similar projects. The existing MIS data of MMU can also be leveraged to draw inferences on disease burden and trend in the locality.

PROJECT 7: STRENGTHENING HEALTHCARE INFRASTRUCTURE OF RNT MEDICAL COLLEGE, UDAIPUR (IAHV)

SBI Card initiated a project **to strengthen healthcare infrastructure as a requirement by Ravindra Nath Tagore (RNT) Medical College, Udaipur by providing 14 high end ICU ventilators** which aimed to strengthen healthcare infrastructure of the hospital during Covid pandemic in an effort to provide support to fight against the second wave of the pandemic. SBI Card signed Memorandum of Agreement (MoA) with International Association for Human Values (IAHV) in May 2021 to implement the project.

The below schematic presents the key aspects of project:¹⁶



Project reach: **All ICU patients requiring the 14 high end ventilators provided**



Project period: **May 2021 - August 2021**



Project location: **Udaipur (Rajasthan)**

KEY FINDINGS:**Strengthened healthcare infrastructure of RNT medical college and support during Covid:**

- The project helped provide support to fight against the pandemic. The improved infrastructure would be helpful for the medical college to **address the healthcare needs for the foreseeable future as these high-end ventilators have a life of over 10 years.**
- **Post the pandemic these high-end ventilators were provided to different departments of the institute based on the requirement where they are currently being used.**

Access to quality and affordable health care:

- The hospital and the temporary COVID Care Centre benefitted the community as it **provided easy access to free of cost and quality Covid care treatment for the community during the severe second wave** of the pandemic.

Improved critical care support:

- The RNT medical college management stated that the **much-needed timely support through SBI Card CSR initiative** was at the time when **the entire country's health facilities were facing shortage of ventilators due to the rapid rise in Covid positive cases.**

Increased capacity of the health care facility to attend to more patients:

- It was reported that the use of these high-end devices in the hospital's Super Speciality Block (SSB) as well as the temporary COVID Care Centre supported by the institute **lead to increased capacity of the institute as well as the district** to treat higher number of patients thus ensuring the timely administration of the required treatment during the second wave of the pandemic.

KEY RECOMMENDATION(S):

Considering high footfall of patients in the RNT institute and the initial need of 50 additional ventilators, SBI Card can consider providing more high-end ventilators to the institute or identify other gap areas of RNT or similar institute for strengthening.

PROJECT 8: STRENGTHENING HEALTHCARE INFRASTRUCTURE AT PGIMS, ROHTAK (AMERICARES INDIA FOUNDATION)

SBI Card initiated a project to provide 6 high-end **medical equipment support under CSR for Pandit Bhagwat Dayal Sharma Post Graduate Institute of Medical Sciences (PGIMS) in, Rohtak, Haryana to strengthen healthcare infrastructure.** SBI Card signed Memorandum of Agreement (MoA) with Americares India Foundation in February 2021 to implement the project. The project aimed to strengthen the Neonatal Intensive Care Unit (NICU) and Paediatric Intensive Care Unit (PICU) facilities at PGIMS Rohtak and also provide some high-end equipment which would even help in adult critical care and diagnostic.

The below schematic presents the key aspects of project:¹⁷



Project reach: **611 patients** (Data shared by PGIMS doctors as on 12th April 2023)



Project period: **February 2021 – October 2021**



Project location: **Rohtak, Haryana**

KEY FINDINGS:**Strengthened healthcare infrastructure of PGIMS:**

- The project helped to strengthen healthcare infrastructure of PGIMS Rohtak to provide critical care.
- The improved infrastructure helped and **would continue to help the institute address the healthcare needs of the community for the foreseeable future** as the six high-end medical equipment provided have a **life of around 10 to 20 years.**

Preparedness for possible third wave of Covid

- The project aimed to equip the medical institute to be better prepared for the third wave of Covid with special emphasis on creation of NICU/PICU units as there was a possibility predicted by experts of a third wave affecting children more adversely than adults. The high-end equipment like Neonatal Ventilator and High Flow Nasal Cannula for Infant & children provided by

SBI Card helped the PGIMS Medical College in being better prepared for critical care for children before the start of third wave of Covid.

Accessible and affordable quality critical care:

- **Several patients from these areas are referred to this hospital for critical care, who are mostly from low-income group.** All patients received **free access** to this high-end equipment with quality care. Many people **would not have been able to afford the same if it had been provided by a private health facility.**

Provision of critical care ensuring availability of high-end equipment:

- It was reported by the SBI Card team that they had observed during their discussions with various medical institutes that at times the government hospitals are not able to provide a treatment or diagnosis for critically ill patients due to non-availability of high-end machines. The patient then needs to be referred to a private institute where the charges are exorbitant. Many patients, especially from the low-income strata, from across the state are referred to the PGIMS. Thus, the project **ensured that no critical care patient coming to PGIMS is bereft of no cost treatment or diagnosis requiring the provided six high-end equipment.**

The project also had several indirect benefits which were not envisaged at the start of the project:

- Due to the **availability of the high-end equipment, Fluorescence in Situ Hybridization (FISH) provided by SBI Card**, they have been **awarded a research grant worth ₹ 5 crores** with an emphasis on lung cancer and breast cancer by the Indian Council of Medical Research (ICMR).
- These high-end devices helped provide **training to the medical graduate and post-graduate students on the latest high-end equipment** leading to building competencies of medical students.
- These high-end machines like High-definition Rigid Bronchoscopy System are providing better imagery and findings. These were being used in some research reports by doctors at PGIMS which have been **published in medical journals.**

KEY RECOMMENDATION(S):

The improved infrastructure helped and would help the institute address the healthcare needs of the community for the foreseeable future as the six high-end equipment provided have an average life of around 10 to 20 years. The support was beneficial for the PGIMS and also the community. Hence, such high-end equipment support could be given to other similar health facilities which have a high load of critical cases. Also, at PGIMS, other infrastructure gaps can be identified for strengthening.

OVERALL STUDY LIMITATIONS:

The study undertaken has some limitations with regards to interaction with stakeholders and data collection. Based on the type of projects, due to unavailability of the baseline data, comparative analysis could not be done. However, to the extent possible retrospective indicators for the same were used. The limitations are as below:

- The interactions with most of the identified stakeholders were conducted but could not be interacted with primary beneficiaries in some of the projects due to –
 - the nature of **Project 1 (Centre for palliative care and end of the life care to provide palliative care services, home care and outpatient services, to terminal cancer patients and non-cancer patients)**, the primary beneficiaries (for the duration from January 2021 to September 2021) were terminally ill patients who have passed away. Hence, in consultation with the SBI Card team and Sparsh hospice team, the interactions were conducted only with the caregivers/ friends/ relatives. Further, the caregivers were scattered in geography; therefore, the data collection was done telephonically to maximise the coverage ensuring the quality of the assessment. Consequently, the findings of the study were based on the viewpoints of the caregivers and depends on the inputs of the other stakeholders.
 - the beneficiary data was not accessible owing to the patient data confidentiality and privacy constraints in Project 3, Project 7, and Project 8 and hence patients could not be interacted with.
 - the project closure and shifting of equipment to a new facility in **Project 2 (Strengthening infrastructure of COVID Care Centres in Hyderabad and Visakhapatnam; along with distributing medical kits and food kits) and Project 3 (Equipment support for COVID Care Centre in Gurugram)**, hence the patients could not be identified and interacted with.

- the beneficiaries of food and medical kits were differently abled people and scattered across locations **in Project 2 (Strengthening infrastructure of COVID Care Centres in Hyderabad and Visakhapatnam; along with distributing medical kits and food kits)**, it was difficult to mobilise them and hence, in depth interviews (IDIs) instead of Focus Group Discussions (FGDs), were carried out telephonically with beneficiaries of food kits and medical kits.
- elderlies being mostly neuro-patients or very old and having difficulty in speaking in **Project 4 (Supporting capex and operating expenses including food and medical care of 200 abandoned, destitute and homeless elderly)**. Hence, in consultation with the SHEOWS team and SBI Card, interactions with a few elderlies for capturing the case studies was carried out.
- In **Project 5 (Innovative mechanism for management of plastic waste)**, the residents who participated in the Focus Group Discussion were also mostly from a concentrated area near the MRF facility and the quantitative survey of the residents could not be undertaken since residents were scarcely available at the time of the field visit and mobilising residents for quantitative survey was a challenge.
- In **Project 6 (Smile on Wheels)**, some of the key stakeholders (e.g., Doctor of Delhi and Agra location, project coordinator of Gurugram, community mobiliser of Gurugram and Agra) had moved to a different location / project or were not present during the field visit as the impact assessment was scheduled to be conducted at least one year after the closure of the project as per compliance. Thus, they could not be reached during the survey. Similarly, interactions could not be conducted with panchayat head, ANMs, district officials, government health facility doctors. Hence, their perspectives could not be considered for this impact assessment. However, interactions were conducted with most of the other key stakeholders including project beneficiaries, doctors (of Gurugram), project coordinators (of Delhi and Agra), community mobiliser (of Delhi) and implementation partner staff.
- In **Project 7 (Strengthening healthcare infrastructure of RNT Medical College, Udaipur)**, owing to unavailability of data, exact **patient load during the project period could not be ascertained. Although it was reported by the Doctors at RNT as well as SBI Card team that the institute had a very high patient foot fall.**

The detailed Impact Assessment Report is available at the website of the Company. Please refer to **section 2 and 3** for the detailed background, approach, and methodology and **Section 4 onwards** for the project wise findings and recommendations.

Annexure -3 to the Board's Report

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To
The Members,
SBI CARDS AND PAYMENT SERVICES LIMITED
Unit 401 & 402, 4th Floor, Aggarwal Millennium
Tower E 1, 2, 3, Netaji Subhash Place,
Wazirpur New Delhi-110034

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by SBI Cards and Payment Services Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2023 ("**Period under review**") according to the provisions of:

- (i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 74 and 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**")::

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client to the extent of securities issued;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review.**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review.**
- (i) The Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 (in relation to obligations of Issuer Company);
- (j) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;
- (vi) The Management has confirmed and certified the following laws are being specifically applicable to the Company:
 - a) Reserve Bank of India Act, 1934 and Rules made thereunder;
 - b) Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015.

We have also examined compliance with the applicable clauses/Regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board/Committee Meetings, agenda and detailed notes on agenda were sent in advance. Whenever, the meetings were convened at shorter notice necessary approvals were obtained as per applicable provisions. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

Note:

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

We further report that the Company was in receipt of notice dated September 28, 2022, under Regulation 57(1) of Listing Regulations from BSE Limited ("BSE"). This notice had been duly responded by the Company along with the documentary evidence thereof. No formal communication has been received further from BSE in this regard.

We further report that during the audit period, following specific events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- (i) During the period under review, the Company has made allotment of 16,000 Senior Non-Convertible Debentures of ₹ 1,000,000/- each and 250 Sub-ordinate Non-Convertible Debentures of ₹ 10,000,000 to the selected group of investors on Private Placement basis aggregating to ₹ 1,850 crores.
- (ii) During the period under review, the Company has made allotment of 2,901,900 equity shares to the eligible employees under SBI Card Employee Stock Option Plan 2019.
- (iii) During the period under review, the Company has redeemed its Non-Convertible Debentures aggregating to ₹ 1,435 crores.

**For Chandrasekaran Associates
Company Secretaries**

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Dr. S Chandrasekaran

Senior Partner

Membership No. F1644

Certificate of Practice No. 715

UDIN: F001644E000493179

Date: June 15, 2023

Place: Delhi

Annexure-A to Secretarial Audit report

To
The Members,
SBI CARDS AND PAYMENT SERVICES LIMITED
Unit 401 & 402, 4th Floor, Aggarwal Millennium
Tower E 1, 2, 3, Netaji Subhash Place,
Wazirpur New Delhi-110034

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

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whenever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For Chandrasekaran Associates

Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 1428/2021

Dr. S Chandrasekaran

Senior Partner
Membership No. F1644
Certificate of Practice No. 715
UDIN: F001644E000493179

Date: June 15, 2023
Place: Delhi

Annexure -4 to the Board's Report

Particular of Employees

Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for Financial Year 2022-23

S. No.	Name of Employee	Designation and Nature of Duties	Relation with any Director/CEO of the Company	Nature of Employment, whether contractual or otherwise and other Terms and conditions	Remuneration Per Annum (₹ Crores)	Perquisite Value of the ESOPs exercised during the year (₹Crores)	Qualification and Age	Experience (Years)	Date of Commencement of Employment	Last Employment
1	Mr. Girish Budhiraja	Executive Vice President & Chief Sales & Marketing Officer	NA	Full Time Employee (FTE)	2.02	1.71	B.Tech from Indian School of Mines, LLB from DU, PGDBM from IIM, Bangalore; 51 Years	28	22 October 12	American Express
2	Mr. Manish Dewan	Executive Vice President & Head - Customer Services	NA	Full Time Employee (FTE)	1.94	2.64	BE Mechanical, MBA from IIM; 55 Years	31	1 October 11	GE Capital Business Process Management Services Private Limited
3	Mrs. Aparna Kuppuswamy*	Executive Vice President & Chief Risk Officer	NA	Full Time Employee (FTE)	1.81	5.00	BSc Chem (H)+ Master of Finance and control; 52 Years	27	1 April 09	GE Money
4	Mr. Pradeep K Khurana	Executive Vice President & Chief Information and Digital Officer	NA	Full Time Employee (FTE)	1.80	1.40	<ul style="list-style-type: none"> Bachelor of Engineering (with Hons) Post Graduate Diploma in Advanced Computing GE Information Management Leadership Program (2 Years) GE Experienced Information Management Program (1 Year); 44 Years 	22	1 January 12	GE - 11 years (GECIS, GE Corporate, GE Capital)
5	Mr. Amit Batra	Executive Vice President & Head - Open Market & Corporate Sales	NA	Full Time Employee (FTE)	1.66	3.11	<ul style="list-style-type: none"> INSEAD Leadership Programme for Senior Executives (1 year) IHM Calcutta GE Capital certified Master Black Belt in Six Sigma GE Capital Asia Pacific LEAP Program (1year); 50 Years 	30	1 April 08	GE

S. No.	Name of Employee	Designation and Nature of Duties	Relation with any Director/CEO of the Company	Nature of Employment, whether contractual or otherwise and other Terms and conditions	Remuneration Per Annum (₹ Crores)	Perquisite Value of the ESOPs exercised during the year (₹Crores)	Qualification and Age	Experience (Years)	Date of Commencement of Employment	Last Employment
6	Mr. Vishal Singh	Executive Vice President - Head, Banca Channel	NA	Full Time Employee (FTE)	1.55	2.74	PG Diploma from Institute of Integrated Learning in Management; 46 Years	23	16 November 04	ARCUS LTD.
7	Mr. Monish Vohra	Executive Vice President & Head - Operations	NA	Full Time Employee (FTE)	1.45	2.96	Delhi College of Engineering, FMS Delhi; 52 Years	28	27 January 14	MetLife India Insurance Co. Ltd
8	Mr. Dhananjay Khanna	Senior Vice President - Chief Information Security Officer	NA	Full Time Employee (FTE)	1.35	-	Post Graduate Diploma in Computer Application; 51 Years	26	1 July 19	EXL Service India Pvt. Ltd.
9	Mrs. Anu Choudhary Gupta	Executive Vice President & Head - Collections	NA	Full Time Employee (FTE)	1.33	2.97	MBA; 47 Years	22+	29 February 16	Standard Chartered Bank
10	Ms. Rinku Sharma	Executive Vice President & Chief Compliance Officer	NA	Full Time Employee (FTE)	1.29	4.25	BSC (Hons) Chemistry, MBA (Marketing & Finance); 50 Years	27	1 November 12	GE Capital
	Ms. Nandini Malhotra	Executive Vice President & Chief Credit Officer	NA	Full Time Employee (FTE)	1.29	2.55	MA-Economics (H); 43 Years	21	July, 2009	GE Capital

* Mrs. Aparna Kuppaswamy ceased to be an employee of the Company w.e.f. February 12, 2023

Note:

- Pursuant to amalgamation of SBI Business Process Management Services Private Limited (SBIBPMSL) with SBI Card, the employees of SBIBPMSL were transferred to the Company.
- Top ten employees of the Company in terms of remuneration drawn is determined on the basis of remuneration paid by the Company during the Financial year 2022-23, excluding the perquisite value of ESOPs exercised during the financial year 2022-23. However, for the purpose of good governance the perquisite value of ESOPs exercised during the financial year 2022-23 has also been disclosed.
- None of the employees listed above hold 2% or more of the paid-up share capital of the Company as at March 31, 2023

For and on behalf of the Board

Dinesh Khara
Chairman
DIN: 06737041

Date: July 10, 2023
Place: Mumbai

Annexure -4 to the Board's Report

PARTICULAR OF EMPLOYEES

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) the ratio of the remuneration of MD & CEO to the median remuneration of the employees of the Company for the financial year; - MD & CEO remuneration to median remuneration of the employees as on March 31, 2023 – **14.25:1**

The Company has paid sitting fees aggregating to ₹ 1.18 Crores to the Eligible Non-executive Directors for attending the meetings of the Board and/or Committees thereof.

- (ii) *the percentage increase in remuneration of MD & CEO, Chief Financial Officer, and Company Secretary, in the financial year:

- MD & CEO – **10.16 %**
- Chief Financial Officer – **N.A.#**
- Company Secretary – **20%**

- (iii) *the percentage increase in the median remuneration of employees in the financial year: **6.51%**

- (iv) the number of permanent employees on the rolls of Company as on March 31, 2023– **3907**.

- (v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; - as stated above. No exception to be reported.

- (vi) affirmation that the remuneration is as per the remuneration policy of the company. - **Yes**

Note:

1. Remuneration considered in this disclosure excludes perquisite on ESOPs exercised during the FY23.
2. *Remuneration considered at point (ii) and (iii) excludes variable payout.
3. #Not Applicable due to the change in incumbent in the office of Chief Financial Officer, during FY 23.

For and on behalf of the Board

Place: Mumbai
Date: July 10, 2023

Dinesh Khara
Chairman
DIN: 06737041

Annexure -5 to the Board's Report

Business Responsibility & Sustainability Report For FY 2022-23

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65999DL1998PLC093849
2.	Name of the Listed Entity	SBI Cards and Payment Services Limited
3.	Year of Incorporation	1998
4.	Registered office address	Unit 401 & 402, 4 th Floor, Aggarwal Millennium Tower E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi 110 034, India;
5.	Corporate Address	2 nd Floor, Tower-B, Infinity Towers, DLF Cyber City, Block 2 Building 3, DLF Phase 2, Gurugram, Haryana 122 002, India;
6.	E-mail ID	investor.relations@sbicard.com;
7.	Telephone	+91 (124) 458 9803.
8.	Website	www.sbicard.com
9.	Financial Year for which reporting is being done	2022-23
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd. and National Stock Exchange of India Ltd.
11.	Paid Up-Capital (As on March 31, 2023)	₹ 9,46,07,43,890/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Sonia Nagpal E-mail: esg.sbic@sbicard.com Office: +91 124 4589903
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone Basis. The Company does not have any subsidiaries.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Of Turnover of the entity
1.	Credit Card	We are publicly listed pure-play credit card issuer in the country	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% Of total Turnover contributed
1.	Credit Card	Division 64 & 66 Activities through Credit Cards	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	22	22
International	0	0	0

17. Markets served by the entity:

a. Number of locations

Locations	Number of offices
National (No. of States)	28 States & 8 Union Territories
International (No. of Countries)	0

b. What is the contribution of exports as a percentage of the total turnover of the entity?

5.55%

c. A brief on types of customers

SBI Card, a subsidiary of the State Bank of India, is the second largest credit card issuer in the country. With more than 1.68 Cr cardholders, we offer financial access with our wide range of value-added payment products and services that fulfil transactional and short-term credit requirements. Our focus on delivering a diverse portfolio of credit cards enables us to support cashless and contactless digital payments in India while ensuring complete safety and transparency of transactions. One of the key factors in this success has been our endeavor to build and enhance a diverse product mix. SBI Card caters to a varied spectrum of cardholders ranging from “super-premium”, “premium” cardholder category to the “affluent”, “mass affluent”, “mass” and “new to credit” categories.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	3,907	2,861	73.23%	1,046	26.77%
2.	Other than Permanent (E)	32,922	14,862	45.14%	18,060	54.86%
3.	Total employees (D + E)	36,829	17,723	48.12%	19,106	51.87%
WORKERS						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than Permanent (G)	NA	NA	NA	NA	NA
6.	Total workers (F + G)	NA	NA	NA	NA	NA

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	4	2	50%	2	50%
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total differently abled employees (D + E)	4	2	50%	2	50%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	NA	NA	NA	NA	NA
5.	Other than permanent (G)	NA	NA	NA	NA	NA
6.	Total differently abled workers (F + G)	NA	NA	NA	NA	NA

19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9 (Including MD & CEO)	1	11.11
Key Management Personnel	3 (Including MD & CEO)	2	66.67

20. Turnover rate for permanent employees and workers

Name	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25.53%	30.04%	26.77%	24.9%	30.7%	26.5%	13.4%	14.7%	13.8%
Permanent Workers	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity as on March 31, 2023	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	State Bank of India	Holding	69.02 (includes shareholding held by subsidiaries of SBI)	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(i) Turnover (in ₹): 14,285.67 Cr. (FY 2022-23)

(ii) Net worth (in ₹): 9,902 Cr. (FY 2022-23)

VII. Transparency and Disclosures Compliances

23. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaint filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	0	0	-	0	-	-
Investors (other than shareholders; Includes NCD holders)	Yes	0	0	-	0	0	-
Shareholders	Yes (https://www.sbicard.com/en/who-we-are/unclaimed-dividend.page)	640	21	Number of Complaints pending as on 31.3.2023 were subsequently resolved in the next quarter. Further, the number of Complaints referred herewith also includes queries, requests etc. received from the shareholders.	532	20	Number of Complaints pending as on 31.3.2022 were subsequently resolved in the next quarter. Further, the number of Complaints referred herewith also includes queries, requests etc. received from the shareholders.
Employees & Workers	Yes (https://www.sbicard.com/sbicard-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf)	114	0	Categories of complain are 1.Sexual Harassment 2.Behavioral 3.Data Security 4.Financial 5. Insider Trading violation	53	0	Categories of complain are 1.Sexual Harassment 2.Behavioral 3.Data Security 4.Financial
Customers	Yes (https://www.sbicard.com/en/grievance-redressal-policy.page)	Gross Inflow – 6,49,121 Gross Complaints – 3,43,923 Net Complaints (Subset of Gross Inflow) – 7,167	Gross Inflow – 3,225 Gross Complaints - 2,724 Net Complaints (Subset of Gross Inflow) – 78		Gross Inflow – 7,33,546 Net Complaints (Subset of Gross Inflow) – 11,777	Gross Inflow – 8,983 Net Complaints (Subset of Gross Inflow) – 1,410	

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year			Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaint filed during the year	Number of complaints pending resolution at close of the year	Remarks	
Value Chain Partners	Yes (https://www.sbicard.com/sbicard-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf)	0	0	0	0	0	0	
Other (please specify)	-	-	-	-	-	-	-	

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change	O	Climate change is a global phenomenon impacting businesses across the world, affecting livelihoods, causing casualties, and disrupting local economies. Hence, SBI Card will make efforts to combat climate change and its impact and to conduct its operations with enhanced emphasis on its environmental footprint.	-	Risk Management (Positive)
2.	Energy Consumption	O	SBI Card understands the impact of purchased electricity resulting in significant GHG emissions. To establish as an environmental steward, conscious steps would be taken to limit the use of energy from non-renewable resources.	-	Risk Management (Positive)
3.	Waste reduction & recycling	O	SBI Card has already undertaken several initiatives in past to eliminate waste such as transitioning to e-statements, etc. There is scope to enhance efforts in this space to build stronger sustainable operations.	-	Cost Efficiency (Positive)
4.	Colleague Attraction & Retention/ Future Workforce	O	While SBI Card is on the path of expanding its business footprint and diversify its product offering, thus attraction and retention of talent is crucial to its business sustenance and growth.	-	Cost Efficiency, revenue generation, risk management (Positive)
5.	Colleague Health & Safety	O	In line with the above material topic and recent pandemic incident, employee's health & safety is imperative for business sustenance and growth.	-	Risk management (Positive - reputation)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6.	Employee Learning & Development	O	Over the years, SBI Card has already undertaken several initiatives towards employee's growth professionally and personally by offering various platforms for continuous learning and development of both technical and non-technical skills. SBI Card aims to be a market leader in human capital and skill development.	-	Cost Efficiency, revenue generation (Positive)
7.	Employee Engagement & Welfare	O	Being service provider fostering customer loyalty, creating a conducive work environment to promote participation of employees is important to organizational performance and stakeholder value.	-	Revenue Generation, Cost efficiency, risk management (Positive)
8.	Consumer Financial Protection	R	It is imperative for SBI Card to treat its customers fairly. Empowering the customers with the required information to protect themselves from any fraudulent practice is important. In addition, with the surge of pandemic, deterioration in customer credit health has emerged as key risk factors	SBI Card is leveraging innovative strategic options like asset sale, greater dependence on digital and new machine learning models for mitigating these risks.	Risk Management; Revenue Generation (Negative)
9.	Inclusion & Diversity	O	Being an equal opportunity employer, no discrimination based on race, age, gender, etc. is exercised. Company continues to maintain an inclusive work culture allowing each employee to do their best.	-	Revenue Generation (Positive)
10.	Business Ethics/ Transaction Integrity	R	Regulatory risk and increased competition due to entry of new age players has made it important for company to keep a close watch to analyze and take actions as and when required to meet the challenges in credit category.	SBI Card has formulated various policies including Risk management, compliance policy, credit policy, information & cybersecurity policy, etc. to delineate comprehensive architecture for managing risks prudently. Risk function strives to identify and analyze new/ emerging risks.	Risk Management (Negative)
11.	Anti-corruption & bribery	R	To ensure highest standards of compliance, it is important to continually strengthen its position against bribery and corrupt practices and comply with all applicable rules and regulations.	With a strong and robust Compliance program in place, all areas of compliance including anti-corruption and bribery are managed under a shared framework of prevention, detection and response.	Risk Management (Negative)
12.	Responsible Digitization/ IT Deployment & Automation	O	In line with our key business goal of enhancing customer experience and increased operational efficiency, SBI Card is continuing its journey on digitization, use of Robotics and AI.	-	Cost efficiency; revenue generation; risk management (Positive)
13.	Innovative technologies & products	O	In line with the above material topic, innovation in terms of emerging technologies and products is key to create value for customers and other stakeholders.	-	Cost efficiency; revenue generation; risk management (Negative)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
14.	Risk Management & compliance	R	With an unwavering focus on ethical business conduct, SBI Card evaluates the significance of all risks that it faces like credit risk, operational risk, liquidity risk, regulatory risk, reputation risk and strategic risk which have a material adverse impact on its business and operations. Thus, making it important to strengthen its risk management structure	SBI Card has formulated various policies including Risk management, compliance policy, credit policy, information & cybersecurity policy, etc. to delineate comprehensive architecture for managing risks prudently. Risk function strives to identify and analyze new/ emerging risks.	Risk management (Negative)
15.	Responsible Selling Practices	R	In lines with Reserve Bank of India guidelines, it is mandatory to provide complete and relevant information about the card at all stages and at all customer touchpoints to avoid regulatory and reputational risk.	SBI Card's sales representatives keep prospective customers well informed by sharing "Most Important Terms & Conditions" along with product information. Adhering to the Fair practice code, comprehensive understanding of card type and its features is given to customer empowering him to make a choice. While they are being onboarded, additional contact is established to re-iterate all relevant details as specified above.	Risk Management; revenue generation (Negative)
16.	Data privacy & security	R	With an increase in cybersecurity incidents of data thefts and financial frauds in banking and financial sector, SBI Card has given top-most priority to strengthen its information and cybersecurity framework across people, processes, and technology within the company.	All customer and organizational data along with information assets are protected with multilayered security. SBI Card is equipped to prevent, detect, withstand, and respond to cybersecurity attacks or insider threats with security controls implemented across layers. Company remains in complete compliance with RBI's cybersecurity mandate for NBFCs	Risk management (Negative)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

The National Guidelines for Responsible Business Conduct (NGRBC) brought out by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive to all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect and make efforts to protect and restore the environment
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
c. Web Link of the Policies, if available	Refer to the Table 1 below								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	-	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	-	Y	Y
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 31000	-	-	-	-	-	-	-	ISO 27001
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	1. P-5: SBI Card commits to ensure health and safety of it's employees, contractors, customers and suppliers by providing and maintaining a safe working environment and comprehensive wellness measures. 2. P-6: Procuring energy efficient technologies, recycled and environment-friendly products 3. P-6: Establishing a strong management system to assess climate risks and opportunities and to taking appropriate actions								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	1. Using energy efficient technologies in the office premises, and authorized vendors for waste recycling 2. Including Environment and Social risks in the risk management process								
Governance, leadership, and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements									
<p>We are dedicated towards making the company socially and environmentally responsible. SBI Card strives for a continuous desire to become a well-governed model organization for varied talent with an environmentally conscious, inclusive workplace and community strategy to utilize technology for good, reflects the Company's ESG roadmap.</p> <p>Refer to SBI Card's Impact Page for information about our ESG related challenges, targets and achievements. - https://www.sbicard.com/sbi-card-en/assets/docs/html/personal/esg/index.html</p>									
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).									
Mr. Rama Mohan Rao Amara, Managing Director & CEO									
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									
Yes. At the apex, SBI Card has a Corporate Social Responsibility and ESG Committee at the Board level to oversee the ESG performance and review meetings are conducted on a quarterly basis. SBI Card also has Sustainability & Business Responsibility Committee (SBRC) comprising of MD & CEO, CPO, COO, EVP & Head – Open Market & Corporate Sales.									

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee										Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9	
	Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	N	Y	Y									
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	N	Y	Y										Annually

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
No, SBI Card has not conducted any independent assessment/evaluation of the working of its policies by any external agency.								

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the principles material to its business (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Yes*	N.A.	N.A.
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Yes*	N.A.	N.A.
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Yes*	N.A.	N.A.
It is planned to be done in the next financial year (Yes/No)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	No*	N.A.	N.A.
Any other reason (please specify)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	-	N.A.	N.A.

*SBI Card does not engage in any public policy advocacy or any lobbying through private/public associations.

Table 1: Web-link of policies

Principle 1	<ul style="list-style-type: none"> Code of Conduct for the Company's Board of Directors and Senior Management Team: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf Related Party Transactions Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/rpt-policy.pdf Corporate Governance Code: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/corporate-governance-code.pdf Vigil Mechanism Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/vigil_mechanism_policy.pdf Fair Disclosure of UPSI: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-practices-and-procedure-for-fair-disclosure-of-UPSI.pdf Policy For Determination Of Materiality Of Events/ Information And Disclosure: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/policy-for-determination-of-materilaity-of-events-information-and-disclosure-thereof-to-the-stock-exchange.pdf Fair Practice Code: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/footer/fair-practice-code/fair-practise-code.pdf SBI Card has additional policies conforming to this Principle. These policies are internal documents and not accessible to the public.
Principle 2	<ul style="list-style-type: none"> Fair Practice Code: https://www.sbicard.com/en/fair-practice-code.page Code of Conduct Guidelines: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf
Principle 3	<ul style="list-style-type: none"> Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/POSH.pdf Code of Conduct Guidelines: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf SBI Card has more policies conforming to this Principle. Few of such policies are advanced education policy, leave policy, equal opportunity policy for transgenders, CLA policy, card lease policy. These policies are internal documents and not accessible to the public.

Principle 4	<ul style="list-style-type: none"> Code of Conduct for the Company's Board of Directors and Senior Management Team: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf Business Responsibility & Sustainability Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sustainability-and-business-responsibility-policy1.pdf Corporate Social Responsibility Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/csr_policy_sbicpsl.pdf
Principle 5	<ul style="list-style-type: none"> Code of Conduct Guidelines: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/POSH.pdf
Principle 6	<ul style="list-style-type: none"> Business Responsibility & Sustainability Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sustainability-and-business-responsibility-policy1.pdf Code of Conduct for the Company's Board of Directors and Senior Management Team: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf
Principle 7	<ul style="list-style-type: none"> NA
Principle 8	<ul style="list-style-type: none"> Corporate Social Responsibility Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/csr_policy_sbicpsl.pdf
Principle 9	<ul style="list-style-type: none"> Grievance Redressal Policy: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/footer/fair-practice-code/customer-grievance-redressal-customer-liability-for-unauthorised-card-transaction-policy.pdf Code of Conduct Guidelines: https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

- Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total Number of Training & Awareness Programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	8	Principle 1, 9	100%
Key Managerial Personnel	25	Principle 1, 2, 3, 4, 5, 6, 8, 9	100%
Employees other than BoD and KMPs	25	Principle 1, 2, 3, 4, 5, 6, 8, 9	100%
Workers	NA	NA	NA

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year ended on March 31, 2023, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an Appeal been preferred. (Yes/No)
Monetary					
Penalty/ Fine					
Settlement					There are no such cases
Compounding fee					
Non-Monetary					
Imprisonment					
Punishment					There are no such cases

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Code of Conduct which is part of the Compliance Policy of the Company covers the aspects of anti-corruption and anti-bribery, and the same is applicable to all employees, suppliers, contractors, third parties representing the Company and consultants of the Company.

Link to related policies have been furnished above under "Management and Process Disclosures"

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

6. Details of complaints with regard to conflict of interest:

	FY 22-23 (Current Financial Year)		FY 21-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

During FY 2022-23 no such issues were received by the company. Thereby, this is not applicable.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
5	5	24%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, there is a process to take annual confirmation from the Directors on the policy/ code.

Please refer to the policy link for more information - <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf>

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	NA	NA	NA
Capex	36%	35%	This Expense includes projects that have enabled Digitization of various processes & also provided improvised Customer Experiences like STP New Cust. Journey, Testing Automation, Digital KYC Ecosystem, Introduced new features on WhatsApp channel like Cross sell, RPA (Robotics automation) for process like card delivery and Fraud Block curing, etc.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)
 SBI Card being a NBFC is engaged in delivering financial services to its customers. Since it is not a product-based company, it does not require material purchase for operations. Although SBI Card believes in a sustainable growth and considers sustainable sourcing practices for its day-to-day operations consumption. The Company procures paper and plastic from local and authorized vendors after considering the environmental footprint of the materials being used. Additionally, for procurement of equipment, SBI Card ensures that energy efficiency standards are considered.
 - If Yes, what percentage of inputs were sourced sustainably?
 N.A.

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
 SBI Card provides Credit Cards as a product to its customers. The customers are advised to safely dispose the card plastic on its cancellation.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
 Not Applicable. Since SBI Card is not engaged in the manufacture, sale, transition, storage, and processing of e-waste or electrical and electronic equipment including its components, consumables, and spare parts, Extended Producer Responsibility is not applicable to us.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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SBI Card has initiated the process of conducting Life Cycle Assessment for the credit cards. The process is expected to complete in FY2023-24.

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
Basis the outcome of our on-going Life Cycle Assessment, we shall be able to identify any significant social or environmental concern arising from our products. Post assessment, SBI Card would accordingly be formulating procedures to mitigate the identified concerns, if any.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 22-23 Current Financial Year	FY 21-22 Previous Financial Year
Not Applicable		

4. Of the products and packaging reclaimed at end of life of products, amount (in metric -tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
E-waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Hazardous waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other waste	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	2,861	2,861	100	2,861	100	0	0	2,861	100	2,861	100
Female	1,046	1,046	100	1,046	100	1,046	100	0	0	1,046	100
Total	3,907	3,907	100	3,907	100	1,046	26.8	2,861	73.2	3,907	100
Other than Permanent employees											
Male											
Female											
Total											

- b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male											
Female											
Total											
Other than Permanent workers											
Male											
Female											
Total											

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	0	Y	100%	0	Y
Gratuity	100%	0	Y	100%	0	Y
ESI	4.24%	0	Y	8.16%	0	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes. We have made our premises/offices accessible to differently able employee by making infrastructural improvements.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

SBI Card believes in providing equal opportunities to people with Disabilities and it has provisions to ensure the same. Aligning with this belief, we will be reviewing our existing policies in-light of Rights of Persons with Disabilities Act, 2016 in the next financial year.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	73.79%	N.A.	N.A.
Female	100%	48.86%	N.A.	N.A.
Total	100%	65.81%	N.A.	N.A.

*We have recently begun with Women Rehiring program wherein we are contacting our Ex- women employees and providing them an opportunity to rejoin SBI Card.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes* SBI Card provides a safe and supportive workplace. This is accomplished by providing our Employees with a reliable and well-established grievance resolution procedure. An anonymous 24*7 online portal is available for permanent employees to raise concerns/ grievances or share ideas. In addition to this, employees can make a complaint by writing an email to Ombuds. The subsequent mechanism post receiving an employee complaint email is stated below: <ul style="list-style-type: none"> • An enquiry is initiated based on the initial evaluation of the complaint • The investigators are appointed for investigating the case • The identity of the complainant is kept confidential and safeguarded at all stages of the inquiry • The inquiry report is submitted ahead for decision-making as per Corrective Action Policy
Other than Permanent Employees	Yes (with their respective employers)

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 22-23 (Current Financial Year)			FY 21-22 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees / Workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / Workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union(D)	% (D/C)
Total Permanent Employees	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total Permanent Workers	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

8. Details of training given to employees and workers:

Category	FY 22-23 Current Financial Year					FY 21-22 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No.(B)	% (B/ A)	No.(C)	% (C / A)		No.(E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	2,861	2,861	100%	2,861	100%	2,712	2,712	100%	2,712	100%
Female	1,046	1,046	100%	1,046	100%	1,062	1,062	100%	1,062	100%
Total	3,907	3,907	100%	3,907	100%	3,774	3,774	100%	3,774	100%
Workers										
Male										
Female										
Total										

*Percentage of employees trained on skill upgradations comprises of eligible population only.

9. Details of performance and career development reviews of employees and worker:

Category	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	2,858	2,713	94.93%	2,708	2,482	91.65%
Female	1,045	1,009	96.56%	1,058	969	91.59%
Total	3,903	3,722	95.36%	3,766	3,451	91.64%
Workers						
Male						
Female						
Total						

*Employee joined on or before 31st December are eligible for Performance Management System for the FY

10. Health and safety management system:

- Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?
No.
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
Not Applicable.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Not Applicable

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. SBI Card employees are insured, and They have access to Mfine application for medical consultations.

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 22-23	FY 21-22
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	N.A.	N.A.
Total recordable work-related injuries	Employees	0	0
	Workers	N.A.	N.A.
No. of fatalities	Employees	0	0
	Workers	N.A.	N.A.
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	N.A.	N.A.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Employee health

- Providing safe and hygienic workplace by cleaning and sanitizing the workplace daily.
- Providing better air quality in office premises by periodic cleaning and sanitization of AC air filters.
- Providing masks for employees and visitors to prevent spread of contagious diseases.
- Providing full fledged medical center at sites wherein employee strength is greater than 500.
- Deployed oxygen generating indoor plants to improve indoor air quality.
- Multiple wellness/ yoga/ meditation sessions are being organized.
- A wellness program i.e., Life 2.0 has been introduced within the organization to ensure well-being of employees.
- Preventive annual health check-up of employees.
- Medclaim facility for employees and their dependents.
- Inhouse state of the art Gymnasium facility at Gurgaon office.
- Regular communication through various medium to enhance awareness on health and hygiene.

Employee safety

- All our offices are guarded to ensure safety of our employees.
- We have 24x7 CCTV surveillance to monitor any suspicious activity.
- All our offices are compliant with dual exits for safe evacuations during emergency.
- Sufficient numbers of Fire extinguishers are placed in all our offices.
- Fire detection and control systems are installed.

13. Number of Complaints on the following made by employees and workers:

	FY 22-23 (Current Financial Year)			FY 21-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Health and safety practices	40.90
Working Conditions	40.90

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not applicable as no safety related incidents have been reported in past. However, we continuously monitor the workplace safety standards to avoid any such incidents.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, SBI Card has provision of Group Term Life Insurance for all its employees.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We have a detailed process wherein every month we seek challans and contribution statements of statutory payments (like EFP, ESIC, LWF, PT etc.) from value chain partners and, we do perform sample audit.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)	FY 22-23 (Current Financial Year)	FY 21-22 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No.

5. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	0
Working Conditions	0

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

No such assessments are being conducted.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

For stakeholder engagement, a robust mechanism, guided by principles of inclusion, materiality, and responsiveness, for the identification and prioritization of stakeholders was adopted and implemented. We classified stakeholder groups based on their significance to the business and their role in the upstream and downstream processes, as well as their relationships in the internal and external environments. The following steps were adopted to identify the relevant stakeholder groups:

- Step 1: We brainstormed internally with management (all levels) to develop criteria for stakeholders by answering key questions like
 - a) Who are the people/groups/institutions that are interested in our core operations?
 - b) Who are the potential beneficiaries of our core operations and other activities?
 - c) Who may be adversely impacted by our core operations?
 - d) Who can impact our organizational activities? Who has the power to influence our activities esp. core operations?
- Step 2: Based on developed criteria, we identified people/ entities (both internal and external to the organization) that have influence on or have been impacted by the core operations and other activities
- Step 3: For each identified group, we determined the mode of engagement (discussions, written communication, stakeholder meetings, sustainability report) and frequency of engagement.
- Step 4: We segregated the stakeholders based on level of impact, frequency of interactions, mode of communication level of interest in the core operations, level of influence on operations etc.
- Step 5: We mapped the stakeholder groups along with their mode and frequency of engagement and obtained consensus from senior management on the identified stakeholder groups.
- Step 6: We also aim to refine this process to be developed into a 'stakeholder engagement plan' which will serve as the blueprint for future communications and engagement.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & Marginalized Group (Yes/No)	Channels of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, other)	Frequency of Engagement (Annually/ Half Yearly/ Quarterly/ Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Face to Face interactions, Email, Phone, Website	As mandated by business requirements	-
Employees	No	Internal Meetings; Skip Sessions, Internal E-mails; Townhalls	Quarterly	
Regulatory Bodies	No	Email, Phone, Meetings	As and when required	
Suppliers	No	Email, Phone, Meetings	As and when required	
Investors	No	Meetings, Email	Quarterly	
Shareholders	No	Meetings, Email	Quarterly	

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We have a dedicated ESG support email id publicly displayed on our website for everyone including all our stakeholders where they can reach us for any feedback. Till date no such concern/feedback has been received.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity

Yes, stakeholder consultation is used to support the identification and management of environmental, and social topics. We have a dedicated ESG support email id publicly displayed on our website for everyone including all our stakeholders where they can reach us for any issues. Feedback received during our regular connect with stakeholders (not limited to the frequency mentioned above) is internally reviewed by the management and necessary amendments are made to the policy/procedures as and when required.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Please refer to our CSR page for engagements with identified vulnerable/marginalized stakeholder groups - <https://www.sbicard.com/sbi-card-en/assets/docs/html/personal/csr/index.html>

PRINCIPLE 5: Businesses should respect and promote human rights**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category Total (A)	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees workers covered (D)	% (D/C)	Total (C)
Employees						
Permanent	3,907	3,907	100	3,774	3,774	100
Other than permanent	0	0	0	0	0	0
Total Employees	3,907	3,907	100	3,774	3,774	100
Workers						
Permanent						
Other than permanent						Not Applicable
Total Workers						

Note: Code of Conduct which is part of the Compliance Policy of the Company covers the fair employment guidelines. Code of Conduct training is provided to all eligible employees-100% of our full-time employees across the organization are covered.

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 22-23 Current Financial Year					FY 21-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	%(B/A)	No. (C)	%(C/A)		No. (E)	%(E/D)	No.(F)	%(F/D)
Employees										
Permanent	3,907	0	0%	3,907	100%	3774	0	0%	3774	100%
Male	2,861	0	0%	2,861	100%	2,712	0	0%	2,712	100%
Female	1,046	0	0%	1,046	100%	1,062	0	0%	1,062	100%
Other than Permanent	32,156	11,449	35%	20,707	64.4%	33,985	13,603	40.02%	20,382	59.97%
Male	18,546	6,150	33%	12,396	67%	19,710	7479	38%	12,231	62%
Female	13610	5299	39%	8,311	61%	14,275	6124	43%	8,151	57%
Workers										
Permanent										
Male										
Female										Not Applicable
Other than Permanent										
Male										
Female										

*Includes the resigned employees of March'21 also who were paid full & final salary at the end of the month

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹)	Number	Median remuneration/ salary/ wages of respective category (₹)
Board of Directors (BoD)	4	25,00,000	1	25,00,000
Key Managerial Personnel	1	1,03,45,436	2	1,25,55,672.8
Employees other than BoD and KMP	2,861	7,30,100	1,044	5,04,909
Workers	N.A.	N.A.	N.A.	N.A.

Note: In the category "Board of Directors" information pertaining only to Independent Directors has been disclosed as no remuneration is being paid by the Company to the Non-executive Nominee Directors.

Further, details pertaining to Managing Director and CEO has been considered under the Category "Key Managerial Personnel"

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

SBI Card complaint management is governed under Corrective Action Policy. Under CAP provisions, ICRC* & EDAC** are responsible for addressing any grievance with respect to employee complaints including human rights. (*Internal Complaints & Escalations Review Committee) & (**Employee Disciplinary Action Committee)

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Grievance Redressal Mechanism is in place for the employees of SBI Card. The established policy for ensuring redressal of complaints is made available to all our employees on intranet.

6. Number of Complaints on the following made by employees and workers:

	FY 22-23 Current Financial Year			FY 21-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0		1	0	
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human Rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Complainant's identity is kept confidential & ensures privacy at all levels of investigation

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. All our agreements/contracts have a stated clause wherein the third party is required to confirm that they comply with and abide by local and other applicable laws/legal requirements, regulations and any additional SBICPSL's standards relating to labor, environment, health and safety, intellectual property rights and improper payments, etc.

9. Assessments for the year:

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child Labour	N.A.
Forced/ Involuntary Labour	N.A.
Sexual Harassment	None
Discrimination at Workplace	None
Wages	N.A.
Others – please specify	N.A.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints

No such complaints received where policy amendment is required.

2. Details of the scope and coverage of any Human rights due diligence conducted

No Human rights due diligence conducted.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, all our offices/premises are accessible to differently abled visitors.

4. Details on assessment of value chain partners:

% of value chain partners (by value of business done with such partners) that were assessed	
Sexual Harassment	N.A.
Discrimination at Workplace	N.A.
Child Labour	N.A.
Forced/ Involuntary Labour	N.A.
Wages	N.A.
Others – please specify	N.A.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
Total electricity consumption (A)	13,893.92 GJ	12,449.83 GJ
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	13,893.92 GJ	12,449.83 GJ
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	97.25 Joules per unit (₹) of turnover	110.16 Joules per unit (₹) of turnover
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

N.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	-
(ii) Groundwater	0	-
(iii) Third party water	25,002.23	
(iv) Seawater / desalinated water	0	-
(v) Others (drinking water)	1,223.24	866.30
Total volume of water withdrawal (i + ii + iii + iv + v)	26,225.47	866.30
Total volume of water consumption (in kiloliters)	26,225.47	866.30
Water intensity per rupee of turnover (Water consumed / turnover)	0.000000611 per unit (₹) of turnover	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

* Note: The water is provided by builders, however we have started the process of measuring the water consumption from FY2022-23

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

N.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
NOx	µg/m3		
SOx	µg/m3		
Particulate matter (PM)	µg/m3		
Persistent organic pollutants (POP)	-	Not Applicable	
Volatile organic compounds (VOC)	-		
Hazardous air pollutants (HAP)	-		
Others – please Specify	-		

Note: Considering the nature of our business, the emissions such as ozone-depleting substances (ODS), Nitrogen oxides (NOX) and Sulphur oxides (SOX) and other air emissions are relatively not materially significant.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes Of CO2 equivalent	Not Applicable	Not Applicable
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes Of CO2 equivalent	2740.19	2732.265
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	0.0000019 tonnes of CO2 per rupee of turnover	0.0000024 tonnes of CO2 per rupee of turnover
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

N

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
Total Waste Generated (in metric tonnes)		
Plastic waste (A)	3.48263	0
E-waste (B)	2.40804	5.4329
Bio-medical waste (C)	0.02464	0
Construction and demolition waste (D)	0	0
Battery waste (E)	31.809	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) (Food Waste)	75.90273	29.85
Total (A+B + C + D + E + F + G + H)	113.62	35.28
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	31.81	29.3129
(ii) Re-used	-	-
(iii) Other recovery operations	52.43	
Total	84.24	29.3129
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	26.98	5.97
Total	26.98	5.97

We have started the process of measuring the waste generation from FY2022-23

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

N

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- The plastic waste is disposed through building management team of the building owner.
- E- waste is disposed through authorized vendors who have been certified in handling E-waste. The vendor segregates (IT/Mobile/CD/CE/PCB), dismantles, separates ferrous, non-ferrous, glass & plastic. It is followed by extraction of base and higher base metals and refinement of metals into 99.9% purity.
- Hazardous waste is not generated through any processes.
- Other recyclable waste i.e., paper, food waste etc. is disposed through building management team of the building owner. They have defined treatment process depending on type of waste.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
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Not Applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
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Not Applicable

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022 - 23 Current Financial Year	FY 2021 - 22 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	As we operate out of leased buildings, this information is not available	
Total fuel consumption (B)		
Energy consumption through other sources (C)		
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	13,893.92 GJ	12,449.83 GJ
Total fuel consumption (E)	0	0
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	13,893.92 GJ	12,449.83 GJ

2. Provide the following details related to water discharged:

Parameter	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		Not Applicable
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

Note - SBI Card is operating from leased and co-working offices. The water is provided by building owners and thus SBI Card doesn't control water discharge within the building.

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
Water withdrawal by source (in kiloliters)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (In kiloliters)		
Total volume of water consumption (In kiloliters)		
Water intensity per rupee of turnover (Water consumed / turnover)		Not applicable
Water intensity (optional)- the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		

Parameter	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		Not applicable
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kiloliters)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

N

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022 – 23 Current Financial Year	FY 2021 – 22 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	51,794	-
Total Scope 3 emissions per rupee of turnover	kg CO2	0.00036	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

N

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Various initiatives have been taken by SBI Card to conserve energy and reduce water & paper consumption.	<ol style="list-style-type: none"> CFL bulbs have been replaced with LED lights LED light sensors installed at SBI card offices All conventional lamp-based projectors have been replaced with LED displays, resulting in low power consumption and less E-waste generation. Timely upgradation of HVAC units, UPS, and other electronic devices to ensure lower electrical consumption. Automatic VRV units installed in our offices (wherever possible), resulting in lower consumption of electricity. Weekly cleaning of AC air filters to reduce electrical consumption. Installed sensor-based taps to reduce water wastage. Instead of standees and posters, we use digital medium of displaying internal communication resulting in reduction of paper consumption. 	Reduction in Electricity, water and Paper consumption.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The entity has business continuity and disaster management plan. The business continuity focuses on keeping the business operations running during a disaster by conducting function specific BIA (business impact analysis) to understand and assess possible vulnerabilities to create short-term and long-term strategy for maintenance of business operations. Whereas disaster management focuses on recovery, restoration of data and IT infrastructure after a disaster. The plan helps SBI Card to return to full functionality after a disaster.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

- None of the processes in SBI Card generate hazardous wastes. Whatever garbage (waste) is generated, same is measured and disposed through building management team of builder/landlord.
- E-waste is disposed through authorized vendors certified to handle E-waste
- Other recyclable waste like paper, plastic etc. is disposed through builder and builder has a separate waste treatment process depending on the waste type.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

We have not conducted assessments for our value chain partners for their environmental impact.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

4 nos. of associations

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Banks' Association (IBA)	National
2	Confederation of Indian Industry (CII)	National

In addition, we also associate with two more associations by way of participating in their meetings and various forums:

- The Associated Chambers of Commerce and Industry of India (ASSOCHAM)
- Federation of Indian Chambers of Commerce & Industry (FICCI)

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities

Name of Authority	Brief of the case	Correction Action Taken
No cases reported to regulators/law enforcement agencies/judicial institutions on corruption and conflict of interest.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S.No.	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/ Half Yearly/ Quarterly/ Others – pls specify)	Web link, if available
Not Applicable as SBI Card does not engage in any Public Advocacy.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

S. No.	Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not Applicable						

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

SBI Card has established mechanism to receive community complaints by email communications for any community grievance. SBI Card has a diverse and multi-dimensional approach to get feedback from the communities via holding community meetings, periodic and active engagement with key stakeholders to understand if they have any views, issues, complaints and grievances related to the interventions. Email address of CSR team (csrpehel@sbicard.com) is present on the official CSR page of the Company.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	5%	7%
Sourced directly from within the district and neighboring districts	33.3%	26.3%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
N.A.	N.A.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount Spent (In ₹)
1	Haryana	Nuh	2,99,55,309
2	Madhya Pradesh	Khandwa	30,29,366
3	Uttarakhand	Haridwar	10,09,789
4	Uttar Pradesh	Bahraich	10,09,789
5	Rajasthan	Barmer	37,36,218
6	Maharashtra	Osmanabad	40,39,155
7	West Bengal	Nadia	20,19,577
8	Uttar Pradesh	Chandauli	17,05,712
9	Assam	Barpeta	8,23,498
10	Rajasthan	Karauli	2,76,83,035

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

- (b) From which marginalized /vulnerable groups do you procure?
N.A.
- (c) What percentage of total procurement (by value) does it constitute?
N.A.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of Authority	Brief of the case	Corrective Action Taken
Not Applicable		

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
1	Project to provide awareness and implementation of source segregation of waste in the location of intervention; funding and technical guidance in establishing decentralized wet waste processing unit, monitoring & evaluation framework for sustainable waste management, data capture methods for the generated and processed waste. The project has four components: Source Segregation Implementation, Resource Recovery, Better Visual Cleanliness, and Integrating/ inclusion of waste workers into formal waste management.	16,300	
2	To improve the mental wellbeing and resilience among adolescents and young married women through community led approach in GOI's RMNCH+A strategy.	30,216	
3	Enhancing learning outcomes by improving access to technology and empowering students across 11 schools of Delhi and Gurgaon.	8,103	
4	Extension of the project mentioned in point 3. In Phase 2 of the project, support has been extended to 40 more Schools in Haryana to enhance learning outcomes by improving access to technology and empowering students.	29,440	
5	Initiative to enable youth with disability to live financially independent lives through vocational skill building and placement support creation. Through concerted efforts in the direction of skill building and employment support, trainees would get employed, and sustain themselves via quality performance.	250	All our CSR projects are for vulnerable and marginalized communities
6	Training total of 513 eligible candidates under 4 different job roles related to COVID-19 Frontline Workers which were launched by the Hon'ble Prime Minister on 18 th June 2021	513	
7	Initiative to create water security for 9 villages in Nuh District, Haryana. To tackle this, 15 rainwater harvesting structures will be constructed and 50 farmers will be equipped with water efficient irrigation technique. TBS will also mobilize local communities for participatory water resources management.	1,403	
8	Initiative to increase the employability opportunity and positively impact livelihood of 763 women candidate. TSSC will establish a Skill Centre at Government Girls' College, Sector 15, Gurugram and training will be provided on two Telecom sector job roles.	Approx 600 candidates are undergoing training.	
9	Employability Training program to equip young adults on the Autism spectrum, who have finished higher secondary school education with the skills required to be employable such as Life Skills, Communication Skills and Social Skills.	23	

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
10	Phase 2 of the project involves setting up of one MRF of 10 MTD in association with Greater Noida Authority and two MRF of 2 MTD each with East Delhi Municipal Corporation	3,000	
11	Initiative for skill development of deaf youth through professional job-related skills and successfully enabling them to be employed.	448	
12	Project to strengthen infrastructure and processes at 10 sub centers of primary healthcare system through telemedicine support in Nuh, Haryana	32,789	
13	Extension of five mobile primary health care units providing doorstep delivery of medical facilities to the underprivileged in Delhi, Gurugram, Nuh and Agra (Uttar Pradesh)	85,003	
14	Providing Home based management of COVID- 19 through tele-consultation facility, home visit by general physician and by providing medicines and basic equipment's to track COVID 19 symptoms.	65,203	
15	Project to train 360 youth in three healthcare job roles in residential mode in Haryana and Assam. Candidates will be trained in theory, practical and on the job training in healthcare facilities such as primary health centers, hospital, clinics and diagnostic facilities etc	360	
16	Project to develop rainwater harvesting structure in 40 police stations of Gurugram district.	The project envisages to an annual groundwater recharge potential of approx. 60,000,000 kiloliters through RWH structures in 40 police stations	
17	Initiative to ensure sustainable water secure communities through rainwater harvesting. The project will enhance the capacity of the indigenous communities in water conservation and management. The project will ensure water security for drinking and irrigation with indigenous communities in the project area for sustainable development and livelihood generation and implement an efficient model of water consumption in agriculture with farmers	522	
18	Project to install solar PV in 20 government schools in Delhi and Haryana. The project objective is to substitute existing consumption of electricity with clean and green electricity and to enhance the learning outcomes and improve attendance.	Envisaged to impact 14,500 students in the 20 schools where the solar panels will be established which will help improve energy sufficiency of the school (as per the proposal shared by YUVA)	All our CSR projects are for vulnerable and marginalized communities
19	Skill building of children from low-income background in writing, composing, recording and music production along with focus on life skills and mental health	5,903	
20	Mantra for Advance Sustainable Solution (MASS). Under the project aims to establish a 50 TPD MRF plant in Ghaziabad and additionally set up 100 Aerobins (waste generations points) across 25 RWAs. The project is planned to enhance management of solid and plastic waste in Ghaziabad along with IEC activities for spreading awareness in public.	The project initiated in Q4 of FY 22-23. The project envisages to impact over 10,000 waste workers and Approx. 18,000 MT of waste shall be segregated at the MRF and shall be sent to respective recyclers/co-processors	
21	Promoting sustainable solutions to the farm stubble burning problem. Farmers in 20 villages of Karnal district in Haryana will be supported, encouraged & trained to give up the conventional practice of stubble burning and use suitable tools and technologies for managing the residual straw in an environment friendly manner, especially through adopting largescale in-situ recycling of straw. The project also includes undertaking 13750 plantation across 20 villages adopted under the existing project.	7,180	
22	Design, supply, erection, and commissioning of 300 kWp Grid tied Solar PV plants at 2 government hospitals in Delhi	Infra based project (solar panels installed)	
23	Expanding ICU facility by providing critical medical equipment for Child Heart Care in Sai Sanjeevani Hospital in Palwal, Haryana, who are providing free of cost quality health care services to underprivileged children	Infra based project (Healthcare equipment). The number of heart surgeries conducted during project duration is 354.	

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
24	Development of resilience in students of classes 6 th -8 th enrolled in NCR schools through an audiovisual program based on bio-psycho and socio-cultural model of well-being and support for Mental Health E-Magazine "Mansik Swasthya Patrika"	500	
25	Install of Oxygen generation plant (OGP) in COVID Care Centre's developed for COVID care in Delhi and LMO Tanks at Rajiv Gandhi Super Specialty Hospital, Delhi followed by relocating/handover of the OGP's to authorities.	OGP: -2 OGP's of 300 litres per minute has been set up in two Government Hospitals LMO: -1 LMO of 10 KL tank is installed in Hospital	
26	To plant a total of 30,000 tree saplings of different variety in the Aravalli Hills, Gurugram with the aim to enhance green cover. The plantation will help with carbon sequestering leading to better environment.	All the sustainable infrastructure has been created for this project like- Solar based borewell, water uplifting facilities, ponds etc. through this infrastructure, mortality rate of the sampling will be very less and so far, 30,174 tree saplings has been planted with geo tagging facilities. Approx 48,909 tonnes of oxygen produced per year and approx. 200000 liters of water absorbed per year	
27	Setting up 25 ATL/ Robotics Lab/STEMS in Government Schools across Delhi-NCR & Haryana. The labs include educational kits and equipment on - science, electronics, robotics, sensors and 3D printers and computers. These Tinkering labs will be implemented in Government schools to help children understand concepts of Coding, Science and Mathematics by practical applications.	Approx 8,975 students 50 Teachers	All our CSR projects are for vulnerable and marginalized communities
28	Empowering people with locomotive disorder by providing customized and detachable mobility solutions, consisting of a combination of wheelchair and scooter. The solution can also be used as a scooter and separately as a wheelchair as per the requirement and situation	154	
29	Providing critical medical equipment to the 40 bedded mother and child hospital in Palwal to address maternal, child mortality and morbidity issues.	44 critical equipment provided 45 Child deliveries done till February 2027 antenatal visits done till February. 269 gynecology visits done till February.	
30	Project for elderly people with an aim to serve and save the lives of the abandoned, destitute and homeless elderly via supporting 200 uniquely identified elderly beneficiaries by providing with food, medical care and recreational activities at SHEOWS old age home	200	
31	Providing 2,600 relief kits to families affected by the assam flood. The relief kits included basic grocery and hygienic items	10,400	
32	The project aims to design, supply, erect and commission 450 KwP grid tied solar PV plant in civil hospital, sector 10 at government college for girls, sector 14, Gurugram, Haryana.	Infra based project (solar panels installed)	
33	Rural livelihood support-based tree plantation program to support farmers in adopting alternate farming for sustainable livelihood in aspirational districts.	73,500 plantations completed till March. Once the targeted plantation of 110,000 is achieved it will lead to 55,000 tons of CO2 will be sequestered in the life span and approx. 326 acres area will be greened.	

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
34	Installation of 620 KwP in 4 districts/sub-districts hospitals of Rajasthan	Solar plant has been just setup in sub district hospital and district hospital in Rajasthan of total capacity of 320 kWh till March. Solar plants of capacity 300 kWp will be installed in other 2 district hospitals in next financial year. This will lead to generation of 8,68,000 kWh electricity and will contribute to avoid 335 tonnes of CO2	
35	Under phase 2- Establishing 25 tinkering labs in government schools across Assam, Punjab and UP. The labs include educational kits and equipment on – science, electronics, robotics, sensors and 3D printers and computers.	15 Tinkering Labs have been setup in Assam and UP schools till March. 10 labs will be setup in Punjab in next financial year. This will help in training of approx. 150 students and 3 teachers from each school in the field of science, robotics, sensors etc.	All our CSR projects are for vulnerable and marginalized communities
36	This project aims to provide 3500 relief kits in flood affected areas of Telangana. The relief kits will include basic grocery and hygienic items that will sustain for a month	14,000	
37	Need assessment for rejuvenation of Kasan Lake, Manesar, Haryana.	IN FY 22-23, Need Assessment study has been undertaken to assess and design a larger project.	

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner
Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

SBI Card has a Grievance Redressal Policy to ensure consumer complaints are addressed and it is available on our website to inform our customer about the mechanism for redressal. Customer can register their Grievances & feedback at below mentioned channels

- 1- Calling our helpline
- 2- Email
- 3- Webform (Website & Mobile App)
- 4- Social media
- 5- Walking Desk Locations
- 6- Escalation channels (Nodal officer, Principle Nodal officer & CS head)
- 7- reaching out to Banking Ombudsman appointed by RBI

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to Total Turnover
Environmental and social parameters relevant to the product	N.A.
Safe and responsible usage	100%
Recycling and/or safe disposal	N.A.

3. Number of consumer complaints in respect of the following:

	FY 22-23 (Current financial Year)		Remarks	FY 21-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	Gross Inflow – 32,647 Gross Complaints – 24,430 Net Complaints (Subset of Gross Inflow) - 2,164	Gross Inflow – 227 Gross Complaints – 197 Net Complaints (Subset of Gross Inflow) - 15		Gross Inflow – 30,323 Net Complaints (Subset of Gross Inflow) - 1,616	Gross Inflow – 377 Net Complaints (Subset of Gross Inflow) – 24	
Cyber-security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	Gross Inflow – 616,474 Gross Complaints – 319,493 Net Complaints (Subset of Gross Inflow) - 5,003	Gross Inflow – 2,998 Gross Complaints – 2,527 Net Complaints (Subset of Gross Inflow) - 63		Gross Inflow – 7,03,223 Net Complaints (Subset of Gross Inflow) – 10,161	Gross Inflow – 8,606 Net Complaints (Subset of Gross Inflow) – 1,386	

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for Recall
Voluntary Recall	N.A.	N.A.
Forced Recall	N.A.	N.A.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

SBI Card has given top-most priority to strengthen its information and cybersecurity framework across people, processes, and technology within the company and it remains in complete compliance with RBI's cybersecurity mandate for NBFCs.

Board approved Information & Cyber Security Policy is in place to ensure integrity & security of data. There are laid down norms for data transfer, data storage, and physical, logical access & cyber security procedure. Logging and reporting of cyber security incidents is done. The IT Security practices are audited frequently to ensure strict compliance. Even vendors, to whom various jobs (viz, data entry, verification etc.) have been outsourced, are required to the Company's Information & Cyber Security Policy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Since advertising related and other consumer complaints are unique and varies case to case, accordingly corrective actions were taken and necessary system enhancements were completed. There was no penalty or action taken by regulatory authorities.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

We have proactively established a Digital Journey for customers, starting from Sourcing to Decisioning, Carding to Onboarding, Digital Marketing to Servicing and Collections.

We are very active across all digital platforms and even during the lockdown, our 24x7 digital self-service channels fulfilled our customers' requirements digitally. Our Mobile App was rated 4.6/5 on iOS and 4.4 on Android, the highest rating for a credit card app. It ensured a unique end-to-end digital onboarding journey for users and Sales24 surfaced as a fully integrated digital platform for credit cards. We also Launched the E-Card as our proprietary instant e-credit card to facilitate 'no touch' payments.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

SBI Card has a Board approved Fair Practice Code that has been adopted and implemented in accordance with RBI guidelines, which reflects Company's commitment to fairness, transparency and honesty when offering products and services and while dealing with customers. The Code is available to all employees on the intranet and accessible to the public on the Company website.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Communication via various modes like IVR, website, mobile app are done when required. Process disruption might be informed via SMS

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Since we are into the business of issuance of Credit Card and activities which are incidental thereto, we would like to clarify and state that the information pertaining to such products are not on the product label per-se but at multiple customer touchpoints like website, application forms, welcome kits etc. which are in public domain. In terms of the guidelines laid by the Reserve Bank of India, SBI Card provides complete and relevant information about the cards at all stages and at all customer touchpoints. Each interaction with the customer throughout their journey is clear and transparent. At the point of Sales, our representatives keep prospective customers well informed by sharing "Most Important Terms and Conditions" (MITC) along with product information as per regulatory requirements. Since we also believe in complete trust, fairness and transparency and also adhere to a Fair Practice Code which is also in public domain, the comprehensive understanding of card type and its features is given to the customer empowering him to make a choice.

SBI credit card applicants give their consent on the product information and the "Most Important Terms and Conditions" by signing the application forms. While they are being onboarded as a customer, we contact them to re-iterate all relevant details as specified above. Along with the SBI Credit Card, we send a Welcome Kit to the customers comprising of card related brochures, features information accompanied with "Most Important Terms and Conditions" (MITC) and cardholder agreement.

In addition, complete details of all our card variants are available on the website including product features, service charges and applicable fees. We continually create awareness on good practices and engage our customers through e-mails, SMS alerts and social media platforms like website, mobile app, Facebook, etc.

Yes, SBI Card is a customer focused organization that measures Customer Experience through internal Transactional CSAT process covering various touch points i.e Website, Mobile app , IVR, helpline & Service request closures. Customer feedback request is initiated on interactions over aforementioned channels basis logics built in system to measure customer experience level and consider customer inputs for driving process improvements.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of customers

There has not been any substantiated data breach concerning customer privacy in last financial year

For and on behalf of the Board

Dinesh Khara
Chairman
DIN: 06737041

Place: Mumbai
Date: July 10, 2023

Annexure -6 to the Board's Report

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Corporate Governance Philosophy of the Company is to ensure fair and ethical business practice, transparent disclosures and reporting. Its focus is on statutory compliance, regulations and guidelines, and to promote ethical conduct of business throughout the organization with primary objective of enhancing stakeholders' value while being a responsible corporate citizen.

Company firmly believes that any meaningful policy on the Corporate Governance must provide empowerment to the executive management of the Company and create a built-in mechanism of verification and internal controls to ensure that the decision-making process, vested in the executive management, are used with due care and responsibility.

The Company is committed to attain the highest standards of Corporate Governance.

BOARD OF DIRECTORS:

The Board of Directors consists of Nine Directors as on March 31, 2023, of which one is Executive Director and eight are Non-Executive Directors (NED); out of eight NED, five are Independent Directors (IND). Thirteen Board Meetings were held during the twelve months period from April 1, 2022 to March 31, 2023 i.e., on April 20, 2022, April 29, 2022, June 6, 2022, July 28, 2022, September 5, 2022, October 6, 2022, October 27, 2022, December 5, 2022, January 6, 2023, January 24, 2023, March 21, 2023, March 24, 2023 (Adjourned and continued on March 25, 2023) and March 30, 2023. Attendance and other details as on March 31, 2023 are as given below alongwith the changes in the Board during the year under review till the date of the Report:-

Sr. No	Name of the Director	Category	Number of Board Meetings Attended	Whether last AGM attended	No. of other Directorships and Committee Memberships/Chairmanships held in other companies			Directorship in other listed entity (Indian Public)(Category of Directorship)
					Directorships [§]	Committee Memberships**	Committee Chairmanships**	
1	Mr. Dinesh Khara (DIN: 06737041)	Chairman, Non-Executive, Non-Independent Director (Nominee of SBI)	6	Yes	6	0	0	1. State Bank of India (Chairman - Executive) 2. SBI Life Insurance Company Limited (Chairman, Non-Executive - Nominee Director)
2	Mr. Swaminathan Janakiraman (DIN: 08516241)	Non-Executive, Non-Independent Director (Nominee of SBI)	10	Yes	8	5	0	1. State Bank of India (Managing Director) 2. SBI Life Insurance Company Limited (Non-Executive - Nominee Director)
3	Mr. Rama Mohan Rao Amara (DIN: 08951394)	Executive, Non-Independent Director (Nominee of SBI)	13	Yes	0	0	0	--
4	Mr. Mihir Narayan Prasad Mishra (DIN: 08321878)	Non-Executive, Non-Independent Director (Nominee of SBI)	11	Yes	1	0	0	--
5	Dr. Tejendra Mohan Bhasin (DIN: 03091429)	Non-Executive, Independent Director	13	Yes	4	6	2	1. Patanjali Foods Limited (Non-Executive - Independent Director) 2. PNB Housing Finance Limited (Non-Executive - Independent Director) 3. PNB Gilts Limited (Non-Executive - Independent Director) 4. SBI Life Insurance Company Limited (Non-Executive - Independent Director)

Sr. No	Name of the Director	Category	Number of Board Meetings Attended	Whether last AGM attended	No. of other Directorships and Committee Memberships/Chairmanships held in other companies			Directorship in other listed entity (Indian Public)(Category of Directorship)
					Directorships [§]	Committee Memberships ^{**}	Committee Chairmanships ^{**}	
6	Mr. Rajendra Kumar Saraf (DIN: 02730755)	Non-Executive, Independent Director	13	Yes	1	1	0	--
7	Mr. Dinesh Kumar Mehrotra (DIN: 00142711)	Non-Executive, Independent Director	12	Yes	4	4	0	1. VLS Finance Limited (Non-Executive - Independent Director) 2. Computer Age Management Services Limited (Non-Executive - Independent Director) 3. UTI Asset Management Company Limited (Non-Executive - Independent Director)
8	Ms. Anuradha Nadkarni (DIN: 05338647)	Non-Executive, Independent Director	12	Yes	0	0	0	--
9	Mr. Shrinivas Yeshwant Joshi (DIN: 05189697)	Non-Executive, Independent Director	13	Yes	0	0	0	--

Note:

SBI- State Bank of India

- Mr. Ashwini Kumar Tewari (DIN: 08797991), Non-Executive, Non-Independent Director (Nominee of SBI) ceased to be the director of the Company w.e.f. July 14, 2022.
- Mr. Swaminathan Janakiraman (DIN: 08516241) was appointed as Non-Executive, Non-Independent Director (Nominee of SBI) w.e.f. July 22, 2022. Further, Mr. Swaminathan Janakiraman ceased to be the director of the Company w.e.f. June 26, 2023.
- Mr. Rama Mohan Rao Amara, Managing Director & CEO (Nominee of SBI) of the Company has tendered his resignation from the directorship and CEO Position of the Company, owing to his transfer back to State Bank of India and will cease to be the Managing Director & CEO of the Company w.e.f. the close of business hours on August 11, 2023.
- Further, the Board of Directors of the Company at its meeting held on July 10, 2023 appointed Mr. Abhijit Chakravorty (DIN: 09494533) (nominee of SBI) as Managing Director & CEO of the Company for a period of two years w.e.f. Saturday, August 12, 2023, subject to the approval of members of the Company.

The appointment/re-appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Further, the Independent Directorships held by the Directors are in accordance with the Listing Regulations.

§ Excluding private companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

** Only covers Memberships/Chairmanships of Audit Committee and Stakeholders' Relationship Committee pursuant to Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the committee details provided, every chairpersonship is also considered as a membership.

The Board confirms that in its opinion, all the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

There is no inter-se relationship between our Board members.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any. The Board is satisfied that plans are in place for orderly succession for appointments to the Board and to Senior Management.

The number of Equity Shares of ₹ 10/- each (i.e. Shares) held by the Directors as on March 31, 2023 are: Mr. Rama Mohan Rao Amara – 70 Shares, Mr. Swaminathan Janakiraman – 25 Shares, Mr. Rajendra Kumar Saraf - 38 Shares.

None of the other directors holds any equity share in the Company. The Company does not have any outstanding convertible instruments.

Details of Skills/Expertise/Competencies possessed by the Directors who were part of the Board on March 31, 2023:

The Company has identified the following as core skills/expertise/competencies required in the context of the Company's business and sector for it to function effectively. The skills/expertise/competencies are classified in following three categories:

- 1. Industry Knowledge/Experience:** Relevant Industry Experience, Knowledge of sector, Knowledge of broad policy direction, understanding of government legislation/legislative process.
- 2. Technical Skills/Experience:** Appropriate skills, experience and knowledge in one or more fields of Finance, Banking, Law, Management, sales, marketing and business development, administration, research, technical operations, information technology, corporate strategy, corporate governance, international business, operations management or other disciplines related to the Company's business.
- 3. Governance Competencies:** Prior Director experience, Financial literacy, Compliance and Corporate Governance focus, strategic thinking/planning from a governance perspective.

A chart or a matrix setting out the skills / expertise / competence of the Board of Directors as on March 31, 2023 is as follows:

Sr. No	Name of the Director	Core skills / expertise / competencies		
		Industry Knowledge/ Experience	Technical Skills/ Experience	Governance Competencies
1	Mr. Dinesh Khara, Non-Executive Chairman	✓	✓	✓
2	Mr. Rama Mohan Rao Amara, Managing Director and CEO	✓	✓	✓
3	Mr. Swaminathan Janakiraman, Non-Executive Director	✓	✓	✓
4	Mr. Mihir Narayan Prasad Mishra, Non-Executive Director	✓	✓	✓
5	Dr. Tejendra Mohan Bhasin, Independent Director	✓	✓	✓
6	Mr. Rajendra Kumar Saraf, Independent Director	✓	✓	✓
7	Mr. Dinesh Kumar Mehrotra, Independent Director	✓	✓	✓
8	Ms. Anuradha Nadkarni, Independent Director	✓	✓	✓
9	Mr. Shrinivas Yeshwant Joshi, Independent Director	✓	✓	✓

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

In accordance with the provisions of Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on March 30, 2023. Ms. Anuradha Nadkarni was unanimously elected as Chairperson of the said meeting. All the Independent Directors were present at the said meeting.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarisation programmes. The details of such familiarisation programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/details-of-familiarization-programmes.pdf>

REMUNERATION PAID TO DIRECTORS:

- (i) Executive Director: The details of remuneration paid in the financial year ended March 31, 2023 to the Executive Director is as follows:

- Mr. Rama Mohan Rao Amara, Managing Director & Chief Executive Officer - ₹ 1.03 Crores (inclusive of PLI for FY 2022 paid in FY 2023, amounting to ₹ 0.15 Crores)

No Stock Options were granted by the Company to the above mentioned Executive Director.

There are no service contracts entered into by our Directors with our Company which provide for benefits upon termination of employment. Further, the Managing Director & Chief Executive Officer of the Company is governed by the SBI Rules as well as resolutions passed by the Board of Directors and the Shareholders of the Company.

- (ii) Non-executive Directors: The Company has paid sitting fees aggregating to ₹ 1.18 Crores to the Non-executive Independent Directors for attending the meetings of the Board and/or Committees thereof.

Apart from receiving sitting fees for attending Board and Committee meetings by the eligible Non-executive Directors of the Company and credit card transactions in the ordinary course of business, there are no pecuniary relationship of the Non-executive Directors with the Company.

Closing Balance as on March 31, 2023 of the credit cards issued to the Directors of the Company was ₹ 0.03 Crores.

COMMITTEES OF THE BOARD

The Board has delegated powers to various committees. Each of the Board's Committee has been delegated with specific responsibilities/ matters as per the provisions of the Companies Act, 2013, Listing Regulations, RBI Directions/ Guidelines and as per the business requirements. The minutes of every Committee meetings are finalised and recorded in the minute book maintained by the Company Secretary. The Company Secretary acts as the Secretary of the Committee. The Minutes of Committee meetings are also placed before the Board. Further, the Terms of reference of the Committees are available on the website of the Company. The various committees, their roles and their members are as follows:

Audit Committee:

Pursuant to the Companies Act, the Listing Regulations and the NBFC Regulations, the Company has constituted an Audit Committee. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and the NBFC Regulations. The Board reviews the working of the Committee from time to time to bring about greater effectiveness in order to comply with the various requirements under the Act, the Listing Regulations and the NBFC Regulations.

As on March 31, 2023, the Committee consists of five Directors, out of which four are Non-executive Independent Directors and one is Non-Executive, Non-Independent Director. All the members of the Committee are financially literate and have necessary accounting & financial management expertise/ background. Mr. Shrinivas Yeshwant Joshi, Chairman of the Committee is a professional Chartered Accountant with strong financial analysis background.

Ten meetings of the Audit Committee were held during the financial year ended March 31, 2023. Dates of the meetings are: April 29, 2022, July 2, 2022, July 5, 2022, July 28, 2022, October 4, 2022, October 27, 2022, December 15, 2022, January 6, 2023, January 24, 2023 and February 27, 2023. The names of the Members of the Committee and their attendance at the Meetings held during the year under review are as follows:

Sl. No.	Name of the Member	Meetings held during the tenure of the Member	No. of Meetings attended
1	Mr. Shrinivas Yeshwant Joshi, Chairman	10	10
2	Dr. Tejendra Mohan Bhasin	10	10
3	Mr. Rajendra Kumar Saraf	10	10
4	Ms. Anuradha Nadkarni	10	10
5	Mr. Mihir Narayan Prasad Mishra	10	9

Nomination and Remuneration Committee:

As on March 31, 2023, the Committee consists of six Directors, out of which four are Non-executive Independent Directors and two are Non-Executive, Non-Independent Directors. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013, Regulation 19 of the Listing Regulations and the NBFC Regulations.

Nine meetings of the Nomination and Remuneration Committee were held during the financial year ended March 31, 2023. Dates of the meetings are: June 6, 2022, July 2, 2022, July 15, 2022, October 6, 2022, December 5, 2022, December 15, 2022, December 29, 2022, March 25, 2023 and March 30, 2023. The names of the Members of the Committee and their attendance at the Meetings held during the year under review are as follows:

Sl. No.	Name of the Member	Meetings held during the tenure of the Member	No. of Meetings attended
1	Dr. Tejendra Mohan Bhasin, Chairman	9	9
2	Mr. Swaminathan Janakiraman@	6	5
3	Mr. Mihir Narayan Prasad Mishra	9	9
4	Mr. Rajendra Kumar Saraf	9	9
5	Mr. Shrinivas Yeshwant Joshi	9	9
6	Ms. Anuradha Nadkarni	9	8
7	Mr. Ashwini Kumar Tewari*	2	2

@ Mr. Swaminathan Janakiraman was inducted in the Committee w.e.f. July 22, 2022.

* Mr. Ashwini Kumar Tewari was ceased to be the Member of the Committee w.e.f. July 14, 2022.

Note: Mr. Swaminathan Janakiraman was ceased to be the Member of the Committee w.e.f. June 26, 2023.

Performance Evaluation

In terms of the provisions of the Companies Act, 2013 read with rules made thereunder, and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with an objective to continuously improve Board's governance, your Company had engaged a reputed external consulting organization, which assisted in laying down parameters for performance evaluation of Directors, Chairman, Board Level Committees and Board as a whole and also assisted in facilitating the overall evaluation process. The parameters of evaluation and the overall process were approved by the Nomination and Remuneration Committee of the Company and is aligned with the provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Guidance Note on Board Evaluation. The Performance evaluation of the Board, each Director, Committees and Chairman for the financial year ended March 31, 2023 had been duly completed as required under law.

Further, in a separate meeting of the Independent Directors of the Company, performance of the Non-Independent Directors, performance of the Board as a whole and performance of the Chairman were evaluated. The Independent Directors had also expressed satisfaction with the overall performance of the Non-Independent Directors, Chairperson and the Board as a whole. The evaluation process validated the Board of Directors' confidence in the governance values of the Company, the synergy that exists amongst the Board of Directors and the collaboration between the Chairman, the Board and the Management.

Stakeholders Relationship and Customer Experience Committee:

As on March 31, 2023, the Committee consists of four Directors, out of which two are Non-executive Independent Director, one is Non-Executive, Non-Independent Director and one is Executive, Non-Independent Director. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. Further, the Board of Directors of the Company at its meeting held on June 18, 2021 had re-constituted the 'Stakeholders Relationship Committee' as 'Stakeholders Relationship and Customer Experience Committee'.

Three meetings of the Stakeholders Relationship and Customer Experience Committee were held during the financial year ended March 31, 2023. Dates of the meetings are: September 26, 2022, November 30, 2022 and February 28, 2023. The names of the Members of the Committee and their attendance at the Meetings held during the year under review are as follows:

Sl. No.	Name of the Member	Meetings held during the tenure of the Member	No. of Meetings attended
1	Dr. Tejendra Mohan Bhasin, Chairman	3	3
2	Mr. Rajendra Kumar Saraf	3	3
3	Mr. Rama Mohan Rao Amara	3	3
4	Mr. Mihir Narayan Prasad Mishra	3	3

Note: Mr. Rama Mohan Rao Amara will cease to be the member of the Committee w.e.f. the close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty has been inducted in the Committee w.e.f. August 12, 2023.

- number of shareholders' complaints received during the Financial Year ended March 31, 2023: **640**
- number of Complaints not solved to the satisfaction of shareholders: **Nil**
- number of pending complaints (as on 31.3.2023): **21**
- name and designation of compliance officer; **Ms. Payal Mittal Chhabra, Company Secretary and Compliance Officer**

Note: Number of Complaints pending as on 31.3.2023 mentioned above were subsequently resolved in the next quarter. Further, the number of Complaints referred above also includes queries, requests etc. received from the shareholders.

Corporate Social Responsibility and ESG Committee:

The Company has a 'Corporate Social Responsibility Committee of Directors' which comprises of four Directors, out of which two are Non-executive Independent Director, one is Non-Executive, Non-Independent Director and one is Executive, Non-Independent Director, as on March 31, 2023. The composition and the role of the Committee are in conformity with the provisions of Section 135 of the Companies Act, 2013. Further, the Board of Directors of the Company at its meeting held on June 6, 2022 had changed the nomenclature of the 'Corporate Social Responsibility Committee' as 'Corporate Social Responsibility and ESG Committee'.

During the financial year ended March 31, 2023, four meetings of the Corporate Social Responsibility and ESG Committee were held. Date of the meetings are: May 27, 2022, July 27, 2022, November 29, 2022 and March 1, 2023. The names of the Members of the Committee and their attendance at the Meetings during the year under review are as follows:

Sl. No.	Name of the Member	Meetings held during the tenure of the Member	No. of Meetings attended
1	Mr. Rajendra Kumar Saraf, Chairman	4	4
2	Mr. Rama Mohan Rao Amara	4	4
3	Mr. Mihir Narayan Prasad Mishra	4	4
4	Mr. Dinesh Kumar Mehrotra	4	4

Note: Mr. Rama Mohan Rao Amara will cease to be the member of the Committee w.e.f. the close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty has been inducted in the Committee w.e.f. August 12, 2023.

Risk Management Committee:

The Company has a 'Risk Management Committee' which comprises of four Directors, out of which two are Non-executive Independent Director, one is Non-Executive, Non-Independent Director and one is Executive, Non-Independent Director, as on March 31, 2023. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Regulation 21 of the Listing Regulations and the NBFC Regulations.

During the financial year ended March 31, 2023, five Meetings of the Risk Management Committee were held. Date of the meetings are: May 27, 2022, September 5, 2022, October 10, 2022, November 29, 2022 and February 2, 2023. The names of the Members of the Committee and their attendance at the Meetings during the year under review are as follows:

Sl. No.	Name of the Member	Meetings held during the tenure of the Member	No. of Meetings attended
1	Mr. Dinesh Kumar Mehrotra, Chairman	5	5
2	Mr. Rama Mohan Rao Amara	5	5
3	Mr. Mihir Narayan Prasad Mishra	5	4
4	Ms. Anuradha Nadkarni	5	5

Note: Mr. Rama Mohan Rao Amara will cease to be the member of the Committee w.e.f. the close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty has been inducted in the Committee w.e.f. August 12, 2023.

Executive Committee:

With a view of achieving speedier decision making on corporate card proposals in order to ensure business growth, the Board of Directors had constituted a Management Level Executive Committee. Thereafter, the Board of Directors of the Company at its meeting held on June 18, 2021 had reconstituted the Executive Committee as a Board Level Committee. As on March 31, 2023, the Committee consists of four Directors, out of which two are Non-executive Independent Directors, One is Non-Executive, Non-Independent Director and One is Executive Non-Independent Director. The composition and the 'Terms of Reference' of the Committee is also available on the website of the Company at www.sbicard.com.

During the financial year ended March 31, 2023, two Meetings of the Executive Committee were held. Date of the meetings are: April 5, 2022 and October 6, 2022. The names of the Members of the Committee and their attendance at the Meetings are as follows:

Sl. No.	Name of the Member	Meetings held during the tenure of the Member	No. of Meetings attended
1	Mr. Swaminathan Janakiraman, Chairman@	1	1
2	Mr. Dinesh Kumar Mehrotra	2	2
3	Mr. Rama Mohan Rao Amara	2	2
4	Ms. Anuradha Nadkarni	2	2
5	Mr. Ashwini Kumar Tewari*	1	1

@ Mr. Swaminathan Janakiraman was inducted in the Committee and appointed as the Chairman of the Committee w.e.f. July 22, 2022.

* Mr. Ashwini Kumar Tewari ceased to be the Member of the Committee w.e.f. July 14, 2022.

Note: Mr. Swaminathan Janakiraman was ceased to be the Member of the Committee w.e.f. June 26, 2023. Mr. Rama Mohan Rao Amara will cease to be the member of the Committee w.e.f. the close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty has been inducted in the Committee w.e.f. August 12, 2023.

IT Strategy Committee:

The Board of Directors of the Company had constituted a management level IT Strategy Committee to oversee management's establishment of appropriate systems that include policies and procedures to ensure that IT operational risks in the Company are effectively controlled and to review and approve appropriate IT investments that were required in the Company before recommending the same to the Board for approval. Thereafter, the Board of Directors of the Company at its meeting held on June 18, 2021 had reconstituted the IT Strategy Committee as a Board Level Committee. The composition and the 'Terms of Reference' of the Committee is also available on the website of the Company at www.sbicard.com.

During the financial year ended March 31, 2023, five Meetings of the IT Strategy Committee were held. Date of the meetings are May 26, 2022, September 5, 2022, September 19, 2022, December 13, 2022 and February 28, 2023. All the Members of the Committee attended the said meetings (except on December 13, 2022, Chief Financial Officer was unable to attend the meeting).

The composition of the Committee as on March 31, 2023 is as follows:

Sl. No.	Name of the Members	Position
1	Mr. Rajendra Kumar Saraf, Independent Director	Chairman
2	Dr. Tejendra Mohan Bhasin, Independent Director	Member
3	Mr. Rama Mohan Rao Amara, Managing Director & CEO	Member
4	Chief Operating Officer	Member
5	Chief Information & Digital Officer	Member
6	Chief Financial Officer	Member
7	Chief Information Security Officer	Member
8	Chief Technology Officer	Member

Note: Mr. Rama Mohan Rao Amara will cease to be the member of the Committee w.e.f. the close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty has been inducted in the Committee w.e.f. August 12, 2023

ANNUAL GENERAL MEETINGS

The date and time of the Annual General Meetings held during last three years and the special resolution(s) passed there at, are as follows:

Date	Venue	Time	Special Resolution(s) Passed
August 26, 2022	Meeting was conducted through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') pursuant to the relevant MCA/SEBI Circulars. Deemed Venue of the meeting: Registered Office of the Company i.e. Unit 401 & 402, 4 th Floor, Aggarwal Millennium Tower, E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi – 110034	11.00 A.M.	1. Re-appointment of Mr. Dinesh Kumar Mehrotra (DIN: 00142711) as an Independent Director of the Company 2. Re-appointment of Ms. Anuradha Nadkarni (DIN: 05338647) as an Independent Director of the Company
August 26, 2021	Meeting was conducted through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') pursuant to the relevant MCA/SEBI Circulars. Deemed Venue of the meeting: Registered Office of the Company i.e. Unit 401 & 402, 4 th Floor, Aggarwal Millennium Tower, E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi – 110034	11.00 A.M.	None
September 28, 2020	Meeting was conducted through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') pursuant to the relevant MCA/SEBI Circulars. Deemed Venue of the meeting: Registered Office of the Company i.e. Unit 401 & 402, 4 th Floor, Aggarwal Millennium Tower, E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi – 110034	11.00 A.M.	Approval of Article 33(ii) (b) and (c) and Article 37(ii) (b) of the Articles of Association

POSTAL BALLOT

During the year under review, a Postal Ballot was conducted by the Company for seeking the approval of the Members. The details of the Postal Ballot conducted are mentioned below:

Date of Postal Ballot Notice: January 6, 2023

Voting period: January 12, 2023 (from 10.00 A.M.) to February 10, 2023 (till 5.00 P.M.)

Date of Declaration of Results: February 10, 2023

Voting Pattern:

Item No.	Description	Type of Resolution	No. of Votes Polled	Votes in Favour		Votes Against	
				No. of Votes	%	No. of Votes	%
1	To approve re-appointment of Shri Rama Mohan Rao Amara (DIN: 08951394) as Managing Director and CEO of the Company	Ordinary Resolution	863422263	860423122	99.65	2999141	0.35

For the abovementioned Postal Ballot Mr. Vineet K Chaudhary (Certificate of Practice no. 4548), Managing Partner of M/s VKC & Associates, Company Secretaries, or failing him Mr. Mohit K. Dixit (Certificate of Practice no. 17827), Partner of M/s VKC & Associates, Company Secretaries, were appointed as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.

The postal ballot was conducted as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 read with the Rules thereunder and the Circulars issued by the Ministry of Corporate Affairs in this regard.

Further, there is no immediate proposal for passing any resolution through postal ballot.

MEANS OF COMMUNICATION:

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management-shareholder relations. Your Company believes that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. Accordingly, the Company disseminates information on its operations and initiatives on a regular basis.

The quarterly, half yearly and annual results of the Company are published in leading English and Hindi newspapers such as Business Standard. The said results are promptly furnished to the Stock Exchanges for display on their respective websites and are also displayed on the Company's website at www.sbicard.com.

Further, matters that are material to the Stakeholders including Press Releases and Presentations made to institutional investors

or to the analysts, if any, are disclosed to the respective Stock Exchanges where the securities of the Company are listed and are also displayed on the Company's website at www.sbicard.com.

From time to time the Company also sends reminders to the shareholders to claim their unclaimed shares and unpaid dividend.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting - Date, Time and Venue	Wednesday, August 9, 2023 at 11.30 a.m through video /other permissible audio-visual means. Deemed Venue for Meeting: Registered Office: Unit 401 & 402, 4 th Floor, Aggarwal Millennium Tower E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi 110 034, India
Financial Year	01.04.2022 to 31.03.2023
The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)	<ul style="list-style-type: none"> • The Equity Shares of the Company are listed on the following Stock Exchanges: <ol style="list-style-type: none"> (i) BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 (ii) National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051 • The Non-Convertible Debentures of the Company are listed on BSE. <p>The annual listing fee for the financial year 2022-23 have been paid to both the aforesaid Stock Exchanges. The securities of the Company are not suspended from trading.</p>
Stock Code	BSE - 543066; NSE - SBICARD; ISIN - INE018E01016

STOCK MARKET PRICE DATA

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2022	889.85	782.40	889.70	783.00
May 2022	835.00	710.85	834.90	710.80
June 2022	796.90	656.10	797.00	655.70
July 2022	968.30	764.80	968.75	763.75
August 2022	1028.75	874.55	1028.65	880.25
September 2022	982.20	868.75	982.50	868.30
October 2022	917.80	800.00	918.20	799.90
November 2022	840.00	781.30	840.55	781.25
December 2022	841.40	761.55	842.00	765.25
January 2023	801.05	690.90	801.20	695.55
February 2023	765.00	724.30	764.45	724.45
March 2023	771.60	708.30	771.65	708.00

SBI Cards and Payment Services Ltd.'s (SBI Card's) Share Performance v/s BSE Sensex and NSE Nifty

Month	BSE- SBI Card's Share Price (Closing)		BSE Sensex (Closing)		NSE-SBI Card's Share Price (Closing)		NSE Nifty (Closing)	
	(in ₹)	Relative Value to 100	Actuals	Relative Value to 100	(in ₹)	Relative Value to 100	Actuals	Relative Value to 100
March 2022	851.70	100	58568.51	100	851.7	100	17464.75	100
April 2022	829.75	97.42	57060.87	97.43	830.85	97.55	17102.55	97.93
May 2022	779.90	91.57	55566.41	94.87	780.00	91.58	16584.55	94.96
June 2022	768.30	90.21	53018.94	90.52	768.25	90.20	15780.25	90.35
July 2022	938.90	110.24	57570.25	98.30	939.25	110.28	17158.25	98.25
August 2022	921.90	108.24	59537.07	101.65	922.20	108.28	17759.30	101.69
September 2022	913.70	107.28	57426.92	98.05	913.50	107.26	17094.35	97.88
October 2022	826.50	97.04	60746.59	103.72	826.65	97.06	18012.20	103.13
November 2022	824.60	96.82	63099.65	107.74	824.25	96.78	18758.35	107.41
December 2022	794.95	93.34	60840.74	103.88	795.50	93.40	18105.30	103.67
January 2023	723.00	84.89	59549.90	101.68	722.85	84.87	17662.15	101.13
February 2023	750.60	88.13	58962.12	100.67	750.45	88.11	17303.95	99.08
March 2023	739.55	86.83	58991.52	100.72	740.20	86.91	17359.75	99.40

REGISTRAR AND SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

The Company's Registrar and Share Transfer Agent for Equity Shares is Link Intime India Private Limited ("Link Intime"). All share transfers and related operations are conducted by Link Intime. The Registrar and Transfer Agent for Debt Securities issued by the Company is Zuari Finserv Limited.

FOR EQUITY:**Link Intime India Private Limited**

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai - 400 083
Maharashtra, India
Telephone: +91 22 4918 6200
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

FOR DEBT:**Zuari Finserv Limited**

Plot No. 2, Zamrudpur Community Centre Kailash Colony Extension , New Delhi - 110048
Telephone: 011-46474000, Extn. 204
Email: rta@adventz.zuarimoney.com
Website: www.zuarimoney.com

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2023 [FACE VALUE OF ₹ 10/- EACH];

Sr. No	Shareholding of Shares	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	1053176	99.28	31213905	3.30
2	501 to 1000	4268	0.40	3090151	0.33
3	1001 to 2000	1620	0.15	2279545	0.24
4	2001 to 3000	428	0.04	1060081	0.11
5	3001 to 4000	202	0.02	696951	0.07
6	4001 to 5000	135	0.01	622362	0.07
7	5001 to 10000	299	0.03	2166839	0.23
8	10001 to above	723	0.07	904944555	95.65
TOTAL :		1060851	100	946074389	100

DEMATERIALIZATION OF SHARES AND LIQUIDITY

Trading in the Equity Shares of the Company is permitted only in dematerialized form. As on March 31, 2023, all the Equity Shares were held in dematerialized form except Fity equity shares.

OUTSTANDING GDRS/ADRS/WARRANTS/ OPTIONS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY: Total number of ESOPs in force as on March 31, 2023 – 58,48,790 (including options vested but not exercised).

PLANT LOCATIONS: NIL

ADDRESS FOR CORRESPONDENCE FOR SHARE TRANSFER AND RELATED MATTERS:

Ms. Payal Mittal Chhabra
Company Secretary and Compliance Officer
 2nd Floor, Tower-B, Infinity Towers,
 DLF Cyber City, Block 2 Building 3, DLF Phase 2,
 Gurugram, Haryana 122 002, India
 Telephone: +91 124 458 9803
 E-mail: investor.relations@sbicard.com

Link Intime India Private Limited (Registrar & Share Transfer Agent)
 C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg,
 Vikhroli (West), Mumbai – 400 083 Maharashtra, India
 Contact Person: Mr. Ashok Shetty
 Telephone: +91 22 4918 6200
 Email: rnt.helpdesk@linkintime.co.in
 Website: www.linkintime.co.in

NAME OF THE DEBENTURE TRUSTEES WITH FULL CONTACT DETAILS:

Axis Trustee Services Limited

Registered Office: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai-400025

Corporate Office: The Ruby, 2nd Floor, SW, 29 Senapati Bapat Marg, Dadar west, Mumbai – 400 028

Contact: 022- 62300451 **Fax:** 022-62300700

Contact Person: Mr. Anil Grover, Chief Operations Officer

Email: Debenturetrustee@axistrustee.in

Website: www.axistrustee.in

SEBI Registration No.: IND000000494

LIST OF ALL CREDIT RATINGS OBTAINED BY THE COMPANY ALONG WITH ANY REVISIONS THERETO DURING THE RELEVANT FINANCIAL YEAR, FOR ALL DEBT INSTRUMENTS OF THE COMPANY OR ANY FIXED DEPOSIT PROGRAMME OR ANY SCHEME OR PROPOSAL OF THE COMPANY INVOLVING MOBILIZATION OF FUNDS, WHETHER IN INDIA OR ABROAD:

The credit ratings of the Company as at the end of March 31, 2023 are as below:

Instrument	Rating	Rating Agency	Comments
Debentures/Bonds	AAA/Stable	CRISIL & ICRA	This is highest level of ratings and Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.
Short Term Ratings (Bank Lines/Commercial Paper)	A1+	CRISIL & ICRA	

During the financial Year ended March 31, 2023, there were no revisions in the Credit Ratings obtained by the Company.

OTHER DISCLOSURES:

1. Related Party Transactions: Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large: **None**

Suitable disclosures as required by Ind AS 24 – Related Party Disclosures have been made in the Annual Report.

All the Related Party Transactions are dealt in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

The Company has also formulated a policy on Related Party Transactions. This Policy is available on the website of the Company and the weblink for the same is [https://](https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/rpt-policy.pdf)

www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/rpt-policy.pdf

2. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

There were no cases of non-compliance by the Company of any matter related to capital markets during the last three years.

3. Vigil Mechanism/Whistle Blower Policy:

In accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has

established a Vigil Mechanism for Directors, Employees and other stakeholders to provide a mechanism which provides adequate safeguards to Employees, Directors and other stakeholders from any victimization on raising of concerns of any unethical practice/non-compliance/irregularity observed.

The details of establishment of such mechanism have been disclosed on the website of the Company i.e. www.sbicard.com. The policy provides every whistleblower access to the Chairperson of the Audit Committee. Further, it is affirmed that no personnel has been denied access to the Audit Committee.

4. Prevention of Sexual Harassment of Women at Workplace:

Your Company is sensitive to women employees at workplace. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. This Policy is applicable to all SBI Card employees, including other persons who have dealings with the Company and operate from Company's workplaces, provided however that one of the party is a SBI Card employee.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of complaints on sexual harassment under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned below:

- a. number of complaints filed during the financial year – 2
- b. number of complaints disposed off during the financial year – 2
- c. number of complaints pending as on end of the financial year – Nil

The above cases were investigated by ICC (Internal Complaints Committee) members and are closed.

5. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company enters into derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is a bank.

During the year ended March 31, 2023, the Company has designated certain foreign exchange forward contracts as cash flow hedges the movement in spot rates to mitigate the risk of foreign exchange exposure on underlying foreign currency exposures. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments

to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items. If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting and any hedge ineffectiveness is calculated and accounted for in the statement of profit or loss at the time of the hedge relationship rebalancing.

6. Details of utilization of funds raised through preferential allotment or Qualified Institutions Placement as specified under Regulation 32 (7A):

During the financial year, the Company has not raised any funds through preferential allotment or Qualified Institutions Placement.

7. The Company has received a certificate dated June 15, 2023 from Dr. S Chandrasekaran, (FCS 1644, COP No. 715) Senior Partner, M/s. Chandrasekaran Associates, Company Secretaries, certifying that none of the Directors on the Board of the Company as on the Financial Year ended March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. The Copy of the said certificate is annexed to this report.

8. Web link where policy for determining 'material' subsidiaries is disclosed: Not Applicable, since the Company does not have any subsidiaries.

9. There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the financial year ended March 31, 2023.

10. Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part: During the financial year ended March 31, 2023, the Company has paid total fees for various services including statutory audit, amounting to ₹ 0.60 Crores to the Joint Statutory Auditors, namely - M/s. Mahesh C Solanki & Co., Chartered Accountants (Registration No. 006228C) and M/s. Ambani & Associates LLP (Firm Registration No. 016923N). No fees was paid by the Company to any entity in the network firm/network entity of which the Joint Statutory Auditors are a part. Further, the Company does not have any subsidiaries.

11. This Corporate Governance Report of the Company for the financial year ended March 31, 2023 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.

12. The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, to the extent applicable.

13. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The Company in the ordinary course of its business issues Credit Cards to firms/companies in which directors are interested. The details of the same is mentioned hereunder:

(₹ In Crores)

Sl. No.	Name of the Entity	Spends during FY22-23	Balance as on March 31, 2023
1	State Bank of India	0.49	0.04
2	SBI Life Insurance Company Limited	0.03	0.00
3	SBI General Insurance Company Limited	1.62	0.22
4	SBI Funds Management Limited	2.24	0.12
5	SBI Capital Markets Limited	0.08	0.00
6	SBICAP Securities Limited	1.20	0.11
7	SBICAP Ventures Limited	0.11	0.01
8	SBI DFHI Limited	0.11	0.01
9	Indian Bank Association	0.02	0.00
10	SBI SG Global Securities Services Private Limited	0.21	0.02

14. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: Not Applicable, since the Company does not have any subsidiaries.

15. Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations:

- a) Mr. Dinesh Khara is the Chairman of the Company. He is a Non- Executive Director nominated by the State Bank of India and is not related to the Managing Director and Chief Executive Officer as per the definition of the term “relative” defined under the Companies Act, 2013.

- b) Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company’s website www.sbicard.com and are also submitted to the Stock Exchanges.

Further, the Company prepare presentation on financial performance on quarterly basis for its investors/analysts and submit the copy of the same with stock exchanges for investors information and the same were also made available on the Company’s official website.

- c) Company has submitted a declaration with the stock exchanges that the Statutory Auditors of the Company have issued Audit Report on Audited Financial Results for year ended March 31, 2023 with unmodified opinion.
- d) The Company has separate Internal Audit Department which periodically submit Internal Audit Reports directly to the Audit Committee of the Company.

16. Information in terms of Schedule V(F) of the Listing Regulations:

Details of Unclaimed Suspense Account provided by our Registrar and Transfer Agent are given below:

Sr. No.	Description	No. of shareholder	No. of shares*
1	Aggregate number of shareholders and the outstanding shares lying unclaimed as on April 1, 2022	5	95
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	1	19
3	Number of shareholders to whom shares were transferred from suspense account during the year	1	19
4	Aggregate Number of shareholders and the outstanding shares lying unclaimed as on March 31, 2023	4	76

*Voting rights on the shares outstanding in the Unclaimed Suspense Account remain frozen till the rightful owner of such shares claims the shares.

17. Particulars of senior management including the changes therein since the close of the previous financial year:

(As on July 10, 2023)

Sl. No.	Name	Designation
1.	Mr. Rama Mohan Rao Amara	Managing Director & CEO
2.	Mr. Amrutesh Mohan*	Deputy Chief Executive Officer
3.	Ms. Rashmi Mohanty@	Executive Vice President & Chief Financial Officer
4.	Mr. Girish Budhiraja	Executive Vice President & Chief Sales and Marketing Officer
5.	Mr. Shantanu Srivastava#	Executive Vice President & Chief Risk Officer

(As on July 10, 2023)

Sl. No.	Name	Designation
6.	Mr. Manish Dewan	Executive Vice President & Head- Customer Services
7.	Ms. Seema Kapahi	Executive Vice President & Chief People Officer
8.	Mr. Ved Prakash [§]	Executive Vice President & Head – Internal Audit
9.	Mr. Ashok Kumar Lohmod	Executive Vice President & Head - Workforce Effectiveness
10.	Mr. Pradeep Khurana	Executive Vice President & Chief Information and Digital Officer
11.	Ms. Rinku Sharma	Executive Vice President & Chief Compliance Officer
12.	Mr. Amit Batra	Executive Vice President & Head - Open Market and Corporate Sales
13.	Mr. Monish Vohra	Executive Vice President & Head – Operations
14.	Ms. Anu Gupta	Executive Vice President & Head - Collections
15.	Mr. Vishal Singh	Executive Vice President & Head Banca Channel
16.	Ms. Nandini Malhotra	Executive Vice President & Chief Credit Officer
17.	Mr. Mohit Kapoor [^]	Executive Vice President & Head - Legal

Changes in the Senior Management Team during FY 2022-23

* Mr. Richhpal Singh, former Chief Operating Officer of the Company retired w.e.f. October 31, 2022. Further, Mr. Amritesh Mohan was appointed as the Chief Operating Officer of the Company w.e.f. October 10, 2022.

@ Mr. Nalin Negi ceased to be the Executive Vice President & Chief Financial Officer of the Company w.e.f. July 31, 2022. Further, Ms. Rashmi Mohanty was appointed as the Executive Vice President & Chief Financial Officer of the Company w.e.f. October 21, 2022.

Ms. Aparna Kuppaswamy ceased to be the Executive Vice President & Chief Risk Officer of the Company w.e.f. February 12, 2023. Further, Mr. Shantanu Srivastava was appointed as the Executive Vice President & Chief Risk Officer of the Company w.e.f. April 21, 2023.

§ Mr. Kamlesh Kumar Shukla, Executive Vice President & Head – Internal Audit of the Company superannuated on February 28, 2023. Further, Mr. Ved Prakash was appointed as the Executive Vice President & Head – Internal Audit of the Company w.e.f. March 1, 2023.

^ Mr. Ugen Tashi Bhutia ceased to be the Executive Vice President & Head - Legal of the Company w.e.f. December 31, 2022. Further, Mr. Mohit Kapoor was appointed as the Executive Vice President & Head - Legal of the Company w.e.f. February 2, 2023.

NOTE:

- Consequent upon change in SMT Structure, roles of the following SMT members were revised w.e.f. from April 1, 2022:
 - Mr. Girish Budhiraja, EVP & Chief Product and Marketing Officer was appointed as EVP & Chief Sales and Marketing Officer.
 - Mr. Manish Dewan, Chief Sales Officer (Open Market and Corporate Cards), appointed as EVP & Head – Customer Services.
 - Mr. Monish Vohra, EVP & Head – Customer Services was appointed as EVP & Head – Operations
 - Mr. Amit Batra, EVP & Head – Operations was appointed as EVP & Head Open Market & Corporate Sales.
- Mr. Amritesh Mohan, Chief Operating Officer has been re-designated as the as Deputy Chief Executive Officer of the Company w.e.f. July 10, 2023.
- Ms. Seema Kapahi, Executive Vice President & Chief People Officer has tendered her resignation from the Company and will cease to be the Executive Vice President & Chief People Officer, w.e.f. July 14, 2023. Further, Ms. Anita Richard Sontumyra, has been appointed as the Executive Vice President & Chief People Officer of the Company w.e.f. July 15, 2023.
- Mr. Rama Mohan Rao Amara, Managing Director & CEO of the Company has tendered his resignation from the directorship and CEO Position of the Company, owing to his transfer back to State Bank of India and will cease to be the Managing Director & CEO of the Company w.e.f. the close of business hours on August 11, 2023. Mr. Abhijit Chakravorty (DIN: 09494533) (nominee of SBI) has been appointed as Managing Director & CEO of the Company for a period of two years w.e.f. Saturday, August 12, 2023, subject to the approval of members of the Company.
- Disclosure of certain types of agreements binding listed entities:** Information under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations. – None.

For and on behalf of the Board

Dinesh Khara
Chairman
DIN: 06737041

Place: Mumbai
Date: July 10, 2023

DECLARATION PURSUANT TO PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the members of
SBI Cards and Payment Services Limited

Sub: Affirmation of Compliance with Code of Conduct for the Company's Board of Directors and Senior Management Team

I hereby declare that all the Board members and Senior Management Personnel as on March 31, 2023, have affirmed compliance with the Code of Conduct for the Company's Board of Directors and Senior Management Team.

Rama Mohan Rao Amara

Managing Director & CEO

DIN: 08951394

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members

SBI CARDS AND PAYMENT SERVICES LIMITED

Unit 401 & 402, 4th Floor, Aggarwal Millennium
Tower E 1, 2, 3, Netaji Subhash Place,
Wazirpur, New Delhi-110034

We have examined all relevant records of SBI Cards and Payment Services Limited (“the Company”) for the purpose of certifying all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March 2023. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examination of the records produced explanations and information furnished, we certify that the Company has complied with all the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Dr. S Chandrasekaran

Senior Partner

Membership No. F1644

Certificate of Practice No. 715

UDIN: F001644E000578561

Date: July 10, 2023

Place: Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

The Members

SBI CARDS AND PAYMENT SERVICES LIMITED

Unit 401 & 402, 4th Floor, Aggarwal Millennium

Tower E 1, 2, 3, Netaji Subhash Place,

Wazirpur, New Delhi-110034

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SBI Cards and Payment Services Limited and having CIN L65999DL1998PLC093849 and having registered office at Unit 401 & 402, 4th Floor, Aggarwal Millennium Tower E 1,2,3, Netaji Subhash Place, Wazirpur, New Delhi-110034 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number ("DIN") status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, and declarations received from respective Directors, we hereby certify that as on Financial Year ended March 31, 2023 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Original Date of appointment in Company
1.	Dinesh Khara	06737041	01/11/2016
2.	Swaminathan Janakiraman	08516241	22/07/2022
3.	Rama Mohan Rao Amara	08951394	30/01/2021
4.	Mihir Narayan Prasad Mishra	08321878	18/06/2021
5.	Tejendra Mohan Bhasin	03091429	28/06/2019
6.	Rajendra Kumar Saraf	02730755	14/08/2019
7.	Dinesh Kumar Mehrotra	00142711	14/11/2019
8.	Anuradha Nadkarni	05338647	14/11/2019
9.	Shriniwas Yeshwant Joshi	05189697	04/12/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

Dr. S Chandrasekaran

Senior Partner

Membership No. F1644

Certificate of Practice No. 715

UDIN: F001644E000493190

Date: June 15, 2023

Place: Delhi

Independent Auditor's Report

To the Members of
SBI Cards and Payment Services Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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, 2023, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

KEY AUDIT MATTERS

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

Sr. No.	Key Audit Matters	Auditor's Response
1	<p>Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 38 of the financial statements)</p> <p>In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets.</p> <p>For recognition of impairment loss on Loans to customers, where no significant increase in credit risk [SICR] has been observed, such assets are classified in "Stage 1" and a 12 months ECL is recognized. Loans that are categorised into have a significant increase in credit risk are considered to "Stage 2" and those which are in default or there exists objective evidence of impairment are considered to be in "Stage 3". Lifetime ECL is recognized for stage 2 and stage 3 Loans.</p> <p>Further, in the current year company has revised the estimation model for Expected Credit Loss [ECL] on account of change in estimation, instigating forward looking macro-economic factors in probability of default of the credit card portfolio to ensure that adverse future economic conditions are covered in the ECL.</p>	<p>Our audit procedures relating to the allowance for credit losses include the following, among others:</p> <p>Compliance of the Company's accounting policies in relation to impairment allowance with Ind AS 109 was assessed.</p> <p>We understood and evaluated the design and tested the operating effectiveness of the key controls put in place by the management over:</p> <p>(a) the assumptions used in the calculation of ECL and its various aspects such as determination of Probability of Default, Loss Given Default, Exposure at Default, Staging of Loans, etc.;</p> <p>(b) the completeness and accuracy of source data used by the Management for ECL computation; and,</p> <p>(c) ECL computations for their reasonableness.</p>

Independent Auditor's Report

Sr. Key Audit Matters No.	Auditor's Response
<p>Quantitative factors like days past due, behaviour of the customer, historical losses incurred on defaults and macro-economic data points identified by the Management's expert and qualitative factors like nature of the underlying loan, correlation of macro- economic variables to determine expected losses, revision in the management overlay and related Reserve Bank of India (RBI) guidelines, to the extent applicable, etc. have been taken into account in the ECL computation.</p> <p>Considering the change in ECL policy, degree of estimate involved in the model and computation of impairment loss allowance along with the significance of the amount and its impact on the financial statements of the company, this area has been considered as key audit matter.</p>	<p>Portfolio categorization into appropriate stages (Stage 1, Stage 2 and Stage 3) for purposes of measurement of ECL was analysed on the basis of their past-due status.</p> <p>We test-checked the completeness and accuracy of source data used.</p> <p>We have also evaluated the adequacy of presentation and disclosure in the financial statements with respect to expected credit losses including the specific disclosure made with regards to revision in ECL model.</p>
<p>2 Performing an audit in an Automated environment that is driven by IT systems & applications.</p> <p>The business operates in an automated environment and has a complex IT structure as significant number of transactions are processed through its inter-dependent IT systems.</p> <p>Appropriate IT general controls and IT application controls are required to ensure that such IT systems process operations in an accurate, complete, effective, efficient, and consistent way for reliable financial reporting.</p> <p>Due to pervasive use of IT systems, high level of automation and its impact on the financial reporting of the business we have considered 'IT Systems and Controls' to be a key audit matter.</p>	<p>Our audit procedures with respect to this matter included the following:</p> <p>Having obtained a comprehensive understanding of the IT systems and the automated environment of the Company, we have considered our scope for audit based on the purpose and financial relevance to the audit.</p> <p>With respect to IT system, our focus includes User access and security, network operations, automated calculations, and database management. In detail:</p> <ul style="list-style-type: none"> • Ensured that systems are developed, configured and implemented to meet financial reporting objectives. • Assessed User Access Management i.e., process of identifying, tracking, controlling and managing a specified users' access to an IT system. • Covered logics & controls over reports used in business which are system driven. <p>Where control deficiencies have been identified, we have tested compensating controls or performed alternative audit procedures, wherever necessary.</p>

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Independent Auditor's Report

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, including total comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatements, 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 it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement 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 exercised professional judgment and maintain professional scepticism 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 with reference to financial statements 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

Independent Auditor's Report

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.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. On the basis of such checks of the books and records of the Company, as we consider appropriate and according to the information and explanations given to us, we are enclosing our report in terms of Section 143(5) of the Act, on the directions and sub directions issued by Comptroller and Auditor General of India in "Annexure 2".
3. 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as director in terms section 164(2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 3". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;
- (g) 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/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements - Refer Note No. 45 to the Financial Statements;

Independent Auditor's Report

- (ii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (iii) (a) Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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 (which are material either individually or in aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.
- (v) The Company has declared interim dividend during the year which is in accordance with Section 123 of the Act.
- (vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **Ambani & Associates LLP**
Chartered Accountants
FRN: 016923N

CA. HITESH AMBANI
Partner
Membership No. 506267
UDIN: 23506267BGURUO4392

Place: Gurugram
Date: April 28, 2023

For **Mahesh C Solanki & Co**
Chartered Accountants
FRN: 006228C

CA. Rajat Jain
Partner
Membership No. 413515
UDIN: 23413515BGVMWL8932

Place: Gurugram
Date: April 28, 2023

Annexure “1” to Independent Auditors’ Report

(Referred to in Paragraph 1 under ‘Report on other Legal and Regulatory Requirement of our report to the Members of SBI Cards and Payment Services Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- i) In respect of Company’s property, plant and equipment, right-of-use assets and intangible assets:
- (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets;
 - B. The Company has maintained proper details records showing full particulars of intangible assets;
- (b) The Company has a regular programme of physical verification of Property, Plant and Equipment by which all fixed assets are verified, over the period of two year In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
- (c) The Company is not having any immovable property. Hence, reporting under Clause 3(i)(c) of the Order is not applicable to the Company;
- (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year;
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable;
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets. As per the information and explanations given to us, the quarterly returns or statements filed by the Company with the banks or financial institutions are in agreement with the books of account of the Company;
- iii) The Company has 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 during the year, in respect of which:
- (a) The Company is a NBFC and in the business of credit card services, in the nature of credit to the customers, which are treated as loans in the financial statements. Hence, reporting under clause 3(iii)(a) of the Order is not applicable;
 - (b) During the year, the investment made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company’s interest;
 - (c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payments of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation;
 - (d) As per the information and explanations provided to us, there are over dues amount (as stipulated below) for more than ninety days, and reasonable steps have been taken by the Company for the recovery of the principal and interest. [Refer Note no. 58.7]
- | (₹ in Crores) | | | | |
|-----------------------------|-------------------|------------------|------------|--------|
| Number of Cases (Borrowers) | Principal Balance | Interest Balance | Other Fees | Total |
| 1,42,532 | 730.88 | 138.56 | 88.09 | 957.53 |
- (e) The Company is a NBFC and in the business of credit card services, in the nature of credit to the customers, which are treated as loans in the financial statements. Hence, reporting under clause 3(iii)(e) of the Order is not applicable;
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act in respect of loans granted, investment made. The Company has given credit card advances of ₹ 0.03 Crores to ten Directors and 0.61 Crores to fifteen related parties in the ordinary course of business. [Refer Note no. 8].

Annexure “1” to Independent Auditors’ Report

- v) The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii) In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees’ State Insurance, Income tax, Sales Tax, Service Tax, duty of custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities;
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the Statute	Nature of the Dues	Amount (₹ Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Redemption of VISA share and Advertisement Expenses	1.98	AY 2008 – 2009	High Court Delhi and CIT (A)
Service Tax	1. Demand of service tax on unbilled revenue in case of associated enterprises 2. Demand of Service tax on difference between the gross amounts appearing in income tax return vs the service tax return	10.82	FY 2007-08 – FY 2011-12	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax	1. Service tax liability on reverse charge basis for payments made to service providers situated outside India. 2. On alleged wrongful availment of CENVAT credit in respect of call center services.	1.40*	FY 2003-04 – FY 2007-08	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax	Service tax demand on incentive income	0.62	FY 2007-08 – FY 2008-09	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax	Service tax demand on incentive income	0.32	FY 2009 – 2010	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax	Demand of CENVAT Credit of Service tax availed on group medical insurance and group life insurance services of employees and family members	0.22*	FY 2008-09 – FY 2010-11	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax	Demand of Service tax in respect of Master card charges due to Service tax not deposited on grossed up basis	13.83*	FY 2012-13 – FY 2017-18	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Goods and Service Tax	Excess credit availed : Mismatch between GSTR-3B and 2A	0.61*	FY 2019 – 20	Commissioner (A), Gujarat
Service Tax	Taxability of Interchange Income during the period and taxability of foreign currency markup earned by SBI Cards	7.06**	FY 2001 to 2006	Hon’ble Supreme Court **
Employees State Insurance Act, 1948	Failure to pay ESI Contribution on payment made to various contractors	2.53*	FY 2014-15	E.S.I. Court, Gurgaon
Employees Provident Fund Act, 1952	Differential of PF amount on account of statutory limit	4.55	FY 2014 -15 – FY 2018 - 19	EPF Organisation, Gurgaon

Footnotes:

1. AY = Assessment Year
2. FY = Financial Year
3. *against the above liability amount (includes Interest and Penalty), ₹ 2.04 Crores has been deposited.
4. ** CESTAT has serviced favourable order in favour of the Company, however department has preferred an appeal against the CESTAT order in Hon’ble Supreme Court, which is yet to be listed.

Annexure “1” to Independent Auditors’ Report

- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender;
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or Other lender;
- (c) The term loans were applied for the purpose for which the loans were obtained;
- (d) On an overall examination of the financial statement of the company, the funds raised on short term basis have, prima facie, not been used during the year for long term purposes by the Company;
- (e) On an overall examination of the financial statement of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence, reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Hence, reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year. However, certain instances of customer frauds on the Company have been reported during the year. As informed, these primarily relate to fraudulent usage of credit cards issued by the Company. During the financial year 2022-23, the total amount involved in such frauds was ₹ 0.69 Crores and the recovery against this amount (pertaining to current year as well as the previous years) is ₹ 0.52 Crore.
- During the year, no employee fraud has been committed.
- (b) No report under section (12) of section 143 of the Companies Act has been filed in Form ADT4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) Whistle blower complaints have been considered by us during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii) The Company is not a Nidhi company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii) In our opinion, the company is in compliance with sections 177 and 188 of Companies Act, with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) In our opinion during the year the Company has not entered into non-cash transactions with Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi) (a) The Company is a Non-Deposit accepting Systemically Important Non-Banking Financial Company (NBFC-ND-SI) registered with Reserve Bank of India (RBI) vide Registration Number 14.01328 under section 45 IA of the RBI Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, reporting under clause 3(xvi)(c) and (d) of the Order is not applicable.

Annexure “1” to Independent Auditors’ Report

- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on date of audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- xx) (a) There are no unspent amounts towards Corporate Social Responsibilities (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Hence, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount to a Special account within a period of 30 days from the end of the financial year in compliance with the provision of sub-section (6) of section 135 of the Companies Act, 2013.
- xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of a Company. Hence, reporting under clause 3(xx) of the Order is not applicable.

For **Ambani & Associates LLP**
Chartered Accountants
FRN: 016923N

CA. HITESH AMBANI
Partner
Membership No. 506267
UDIN: 23506267BGURUO4392

Place: Gurugram
Date: April 28, 2023

For **Mahesh C Solanki & Co**
Chartered Accountants
FRN: 006228C

CA. Rajat Jain
Partner
Membership No. 413515
UDIN: 23413515BGVMWL8932

Place: Gurugram
Date: April 28, 2023

Annexure “2” to Independent Auditors’ Report

(Referred to in Paragraph 2 under ‘Report on Other Legal and Regulatory Requirement’ of our Report to the Members of SBI Cards and Payment Services Limited of even date)

Report on Directions and Sub-directions issued by the Comptroller and Auditor General of India under section 143(5) of Companies Act, 2013 on accounts of SBI Cards and Payment Services Limited for the year ended March 31, 2023.

Directions for the year 2022-23

Sl. No.	Particulars	Compliance of Directors
I	Whether the Company has system in place to process all the accounting transactions through IT systems? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has an integrated system in place to process all the accounting transactions through its implemented IT systems. Based on the audit procedures carried out by us and based on the information and explanations given to us, we have not come across any instance having significant implications on the integrity of accounts or any significant financial impact.
II	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company)	There are no such cases in the current financial year.
III	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/ state Government of its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Based on our examination of relevant records of the Company and the information and explanations received from the Management, the Company did not receive any funds (grants/subsidy etc.) for specific schemes from central/ state Government or its agencies.

Sub-Directions under section 143(5) of Companies Act, 2013 for the year ended March 31, 2023

1. Investments	Whether the titles of ownership in respect of CGS/ SGS/ Bonds/ Debentures etc. Are available in physical/dmat form and these, in aggregate, agree with the respective amounts shown in the Company’s books of accounts? If not, details may be stated.	The Investments of the Company as on March 31, 2023 are as under: <ol style="list-style-type: none"> 1001 Shares Invested in SBI Foundation, allotted on January, 2017. These shares are in dmat form and the amount of investment is in agreement with amount shown in Company’s books of accounts. 112,996 shares invested in Online PSB Loans Limited (formerly known as Capita World Platform Pvt. Ltd.) in July, 2018. These shares are in dmat form and the investment is in agreement with Company’s books of accounts. During the year, the Company has invested in Government Securities and T-Bills. These securities are in dmat form with Bank of Baroda. As on March 31, 2023, Government Securities having face value of ₹ 1,530 Crores and T-Bills having face value of 780 Crores have been invested and are in agreement with Company’s books of accounts. The company had investments in liquid/overnight schemes of Mutual Funds for short duration, which were redeemed during the year. These transactions are supported by statements.
2. Loans	In respect of provisioning requirement of all restructured, rescheduled, renegotiated loan whether a system of periodical assessment of realizable value of securities available against all such loans is in place and adequate provision has been created during the year? Any deficiencies in this regard, if any, may be suitably commented upon along with financial impact.	The Company offers restructuring of the outstanding advances in equitable monthly instalments to customers, who have shown willingness to pay; but are unable to make the required payment on account of financial stress. All such advances are classified as Stage 3 assets. As per the Company’s policy, adequate provision is created on such assets as per ECL computation against the total outstanding of such advances. As on March 31, 2023, total outstanding of such restructured advances stands at ₹ 0.48 Crores against which a provision of ₹ 0.30 Crores has been made in the books of accounts.

Annexure “2” to Independent Auditors’ Report

3. Whether the security control for digital payment products and services are in compliance with the directions of RBI for Digital Payment Security Control dated 18th February 2021.
- The RBI Master Direction on Digital Payment Security Controls dated February 18, 2021, has provided necessary guidelines (69 General Controls as defined in Para 4 to Para 73 of the said Master Direction) for the Regulated Entities (REs) to set up a robust governance structure and implement common minimum standards of security controls for digital payment products and services.
- The Company is compliant in respect of directions (General Controls) contained at Paragraphs 4 to 73 except for Paragraphs 8, 15, 24, 25, 26, 42, 62 and 67 as below:
1. In respect of General Control specified in Paragraph 8, the Company has represented that their core digital payment applications, namely the transaction authorization system (Vision+), transaction fraud monitoring system (Falcon), multifactor authentication system (WIBMO) are PCI-DSS compliant and certified. Furthermore, they are working towards attaining PCI-DSS compliance certification for the remaining auxiliary/ supplementary systems which is expected to be completed by June 2023.
 2. In respect of General Control specified in Paragraph 15, regarding implementation of Web Application Firewalls (WAF) solution and DDoS mitigation technique. It is noted that WAF has been on-boarded. However, DDoS mitigation technique for SBIC mobile app is expected to be implemented by October 2023.
 3. In respect of General Control specified in Paragraph 24, regarding security testing including review of source code, vulnerability assessment (VA) and penetration testing (PT) of digital payment application. The company is expecting to implement this control by July 2023.
 4. In respect of General Control specified in Paragraph 25, regarding running automated VA scanning tools. The company is expected to implement this control by July 2023.
 5. In respect of General Control specified in Paragraph 26, regarding identified vulnerabilities to be fixed in a time bound manner. The company is expecting to remediate the same by June 2023.
 6. In respect of General Control specified in Paragraph 42, regarding usage guidelines & training materials for end users within digital payment applications at the time of on-boarding. The company is working towards updating usage guidelines being added in 8 vernacular languages on the pre-login section of website by April 2023.
 7. In respect of General Control specified in Paragraph 62, regarding mobile application requiring re-authentication whenever device and application remains unused and able to identify new network connections or connection on unsecured networks. The company has already implemented controls regarding session timeout for mobile application and is expected to implement controls regarding connections from unsecured network by May 2023.
 8. In respect of General Control specified in Paragraph 67, regarding payment card standards (over and above PCI-DSS and PA-DSS6) as per payment card industry (PCI) prescriptions. The company is expected to implement these controls by June 2023.
- Further General Controls specified in Paragraphs 54, 68, 69 and 71 are not applicable to the Company.

Annexure “3” to Independent Auditors’ Report

(Referred to in paragraph 3(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of SBI Cards and Payment Services Limited of even date)

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

We have audited the internal financial controls with reference to financial statements of SBI Cards and Payment Services Limited (the “Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (the “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 Act.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their

operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial

Annexure “3” to Independent Auditors’ Report

control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

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

For **Ambani & Associates LLP**
Chartered Accountants
FRN: 016923N

CA. HITESH AMBANI
Partner
Membership No. 506267
UDIN: 23506267BGURUO4392

Place: Gurugram
Date: April 28, 2023

For **Mahesh C Solanki & Co**
Chartered Accountants
FRN: 006228C

CA. Rajat Jain
Partner
Membership No. 413515
UDIN: 23413515BGVMWL8932

Place: Gurugram
Date: April 28, 2023

Balance Sheet

As at March 31, 2023

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
1 Financial assets			
(a) Cash and cash equivalents	5	989.79	758.16
(b) Bank balance other than cash and cash equivalents	6	364.68	348.23
(c) Trade receivables	7	142.16	168.47
(d) Loans	8	39,360.98	30,187.25
(e) Investments	9	2,139.69	1,297.19
(f) Other financial assets	10	416.49	213.32
Total financial assets		43,413.79	32,972.62
2 Non-financial assets			
(a) Current tax assets (net)	11	5.68	41.24
(b) Deferred tax assets (net)	12	246.67	218.53
(c) Property plant and equipment	13	60.36	39.20
(d) Capital work in progress	13	6.06	0.49
(e) Intangible assets under development	13	16.63	13.75
(f) Intangible assets	13	103.42	116.41
(g) Right-of-use assets	13	387.18	283.85
(h) Other non financial assets	14	1,305.77	962.34
Total non-financial assets		2,131.77	1,675.81
Total Assets (1+2)		45,545.56	34,648.43
EQUITY AND LIABILITIES			
1 Financial liabilities			
(a) Derivative financial instruments	15	1.10	-
(b) Payables	16		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		92.47	36.26
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,302.95	1,080.54
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		10.54	10.87
(c) Debt securities	17	6,606.21	7,106.34
(d) Borrowings (other than Debt Securities)	18	23,142.86	14,680.10
(e) Subordinated liabilities	19	1,360.54	1,196.02
(f) Other financial liabilities	20	1,684.34	1,572.69
Total financial liabilities		34,201.01	25,682.82
2 Non-financial liabilities			
(a) Provisions	21	637.99	477.39
(b) Other non financial liabilities	22	876.50	735.52
Total non financial liabilities		1,514.49	1,212.91
Total liabilities (1+2)		35,715.50	26,895.73
3 Equity			
(a) Equity share capital	23	946.07	943.18
(b) Other equity	24	8,883.99	6,809.52
Total equity		9,830.06	7,752.70
Total liabilities and equity (1+2+3)		45,545.56	34,648.43
See accompanying notes to the financial statements	1 to 61		

As per our report of even date attached

For Ambani & Associates LLP

Chartered Accountants
FRN: 016923N

Hitesh Ambani

Partner
Membership No.: 506267

For Mahesh C Solanki & Co

Chartered Accountants
FRN: 006228C

Rajat Jain

Partner
Membership No.: 413515

For and on behalf of the Board of Directors

Rama Mohan Rao Amara

Managing Director & CEO
DIN: 08951394

Chief Financial Officer

Shrinivas Yeshwant Joshi

Independent Director
DIN: 05189697

Company Secretary

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Statement of Profit and Loss

For the year ended March 31, 2023

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
1 Revenue from operations			
(i) Interest Income	25	6,152.97	4,866.03
(ii) Fees and commission income	26	6,604.15	5,226.56
(iii) Sale of services		165.77	132.19
(iv) Business development incentive income		740.30	447.61
(v) Insurance commission income	50	3.45	4.88
Total revenue from operations		13,666.64	10,677.27
2 Other income	28	619.03	624.25
3 Total income (1+2)		14,285.67	11,301.52
4 Expenses			
(i) Finance costs	29	1,647.63	1,027.32
(ii) Fees and Commission expenses		1,371.50	1,022.63
(iii) Net loss on fair value changes	27	-	0.10
(iv) Net loss on derecognition of financial instruments under amortised cost category	51	-	1.71
(v) Impairment on financial instruments	30	2,159.05	2,255.84
(vi) Employee benefits expenses	31	561.89	472.71
(vii) Depreciation, amortisation and impairment	32	163.81	148.56
(viii) Operating and other expenses	33	5,351.22	4,200.49
Total expenses		11,255.10	9,129.36
5 Profit before tax (3-4)		3,030.57	2,172.16
6 Tax expense:	34		
Current tax charge / (credit)		799.29	382.88
Deferred tax charge / (credit)		(27.19)	173.14
Total tax expenses		772.10	556.02
7 Profit for the Period (5-6)		2,258.47	1,616.14
8 Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)		(4.56)	6.89
- Tax impact on above		1.15	(1.73)
- Gain/(loss) on equity investment through OCI		1.21	6.72
- Tax impact on above		(0.30)	(1.69)
Subtotal (A)		(2.50)	10.19
B. Items that will be reclassified to profit or loss			
- Gain/(loss) on forward contracts in hedging relationship		(0.46)	-
- Tax impact on above		0.12	-
Subtotal (B)		(0.34)	-
Other comprehensive income (A+B)		(2.84)	10.19
9 Total comprehensive income for the period (7+8)		2,255.63	1,626.33
10 Earnings per equity share :	35		
(1) Basic (₹)		23.92	17.16
(2) Diluted (₹)		23.80	17.02
See accompanying notes to the financial statements	1 to 61		

As per our report of even date attached

For Ambani & Associates LLP
Chartered Accountants
FRN: 016923N

Hitesh Ambani
Partner
Membership No.: 506267

For Mahesh C Solanki & Co
Chartered Accountants
FRN: 006228C

Rajat Jain
Partner
Membership No.: 413515

For and on behalf of the Board of Directors

Rama Mohan Rao Amara
Managing Director & CEO
DIN: 08951394

Chief Financial Officer

Shrinivas Yeshwant Joshi
Independent Director
DIN: 05189697

Company Secretary

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Cash flow statement

For the year ended March 31, 2023

(Figure in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash flow from operating activities		
Profit before tax for the year	3,030.57	2,172.16
Adjustments for :		
Depreciation and amortisation expense	163.81	148.56
Liabilities written back	(0.09)	(0.75)
Impairment losses & bad debts	2,159.05	2,255.96
Net loss on derecognition of financial instruments under amortised cost category	-	1.71
Other interest income	(106.07)	(46.05)
Cash inflow from interest income	92.32	47.58
Share based payments	14.11	22.79
Finance cost	1,647.63	1,027.32
Unrealised foreign exchange (Gain)/loss (net)	0.07	(1.44)
Loss/ (Profit) on sale of property, plant & equipment	(0.17)	0.63
Profit on sale on investments	(0.48)	(0.40)
Fair valuation of derivatives	-	0.10
Operating profit before working capital changes	7,000.75	5,628.17
Adjustment for changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Bank balance other than cash & cash equivalent	(16.45)	(271.33)
Trade receivables	23.50	(87.25)
Other financial assets	(204.33)	(18.30)
Other non financial assets	(344.36)	(236.76)
Loans	(11,332.69)	(8,984.83)
Adjustments for increase / (decrease) in operating liabilities:		
Other financial liabilities	(10.38)	567.40
Other non financial liabilities	140.98	97.94
Provisions	141.93	74.79
Trade payables	278.89	237.05
Cash from/ (used) in operations before taxes	(4,322.16)	(2,993.12)
Finance Cost Paid	(1,583.98)	(1,026.69)
Cash from/ (used) in operations before taxes	(5,906.14)	(4,019.81)
Direct taxes paid (net of refunds)	(764.37)	(371.65)
Net cash generated/ (used) in operating activities (A)	(6,670.51)	(4,391.46)
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	(93.40)	(99.92)
Proceeds from sale of property, plant and equipment and intangible assets	0.24	0.03
Purchase of investments	(3,704.50)	(3,761.55)
Proceeds from investment	2,876.22	3,323.32
Net cash used in investing activities (B)	(921.44)	(538.12)

Cash flow statement

For the year ended March 31, 2023

(Figure in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C. Cash flow from financing activities		
Proceeds from issue of share capital (including security premium and share pending allotment)	44.13	37.34
Proceeds from debt securities	2,337.48	4,254.51
Repayment of debt securities	(2,881.90)	(3,106.88)
Borrowings (other than debt securities)	8,457.92	4,016.50
Proceeds from subordinated liabilities	250.00	-
Repayment of subordinated liabilities	(100.00)	(100.00)
Interim dividend paid	(212.86)	-
Payment of lease liabilities	(71.19)	(56.93)
Net cash (used) / generated in financing activities (C)	7,823.58	5,044.54
D. Net increase / (decrease) in cash and cash equivalents (A+B+C)	231.63	114.96
Cash and cash equivalents as at the beginning of the year	758.16	643.20
Cash and cash equivalents as at the end of the year*	989.79	758.16

*For Composition Refer Note 5

Note:

- The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' specified in Ind AS 7, Statement of Cash Flows, as per Indian Accounting Standards specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules 2015.

As per our report of even date attached

For Ambani & Associates LLP
Chartered Accountants
FRN: 016923N

For Mahesh C Solanki & Co
Chartered Accountants
FRN: 006228C

For and on behalf of the Board of Directors

Hitesh Ambani
Partner
Membership No.: 506267

Rajat Jain
Partner
Membership No.: 413515

Rama Mohan Rao Amara
Managing Director & CEO
DIN: 08951394

Shrinivas Yeshwant Joshi
Independent Director
DIN: 05189697

Chief Financial Officer

Company Secretary

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Statement Statement of Changes in Equity

For the year ended March 31, 2023

(Figure in ₹ Crores, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
Balance as at April 1, 2022	94,31,72,489	943.18
Changes in equity share capital during the year (refer note 24)	29,01,900	2.90
Balance as at March 31, 2023	94,60,74,389	946.07
Balance as at April 01, 2021	94,05,25,456	940.53
Changes in equity share capital during the year (refer note 24)	26,47,033	2.65
Balance as at March 31, 2022	94,31,72,489	943.18

B. OTHER EQUITY (REFER NOTE 24)

Particulars	Reserve and Surplus					OCI			Shares pending allotment	Total	
	Capital redemption reserve	Statutory reserve	General reserve	Capital reserve created on account of amalgamation	Securities Premium	Retained earnings	Share options outstanding account	Equity Instruments through Comprehensive Income			Cash flow hedging reserve
Balance as at April 1, 2022	3.40	1,335.08	13.11	(71.51)	988.09	4,481.06	47.97	12.32	-	-	6,809.52
Profit after tax	-	-	-	-	-	2,258.47	-	-	-	-	2,258.47
Other comprehensive income, net of income taxes	-	-	-	-	-	(3.41)	-	0.91	(0.34)	-	(2.84)
Share based payments to employees- for the period	-	-	-	-	-	-	14.11	-	-	-	14.11
Transfer from Retained earnings- Unclaimed credit balance above 10 Years	-	-	5.89	-	-	(5.89)	-	-	-	-	-
Received on allotment of shares to employees pursuant to ESOP Scheme	-	-	-	-	41.24	-	-	-	-	-	41.24
Transferred from Retained Earning @ 20%	-	451.69	-	-	-	(451.69)	-	-	-	-	-
Interim equity dividend for FY 2022-23	-	-	-	-	-	(236.52)	-	-	-	-	(236.52)
Transfer on allotment of shares to employees pursuant to ESOP scheme	-	-	-	-	19.83	-	(19.83)	-	-	-	-
Transfer on cancellation of stock option	-	-	2.12	-	-	-	(2.12)	-	-	-	-
Balance as at March 31, 2023	3.40	1,786.77	21.12	(71.51)	1,049.16	6,042.01	40.13	13.23	(0.34)	-	8,883.99
Balance as at April 01, 2021	3.40	1,011.85	13.08	(71.51)	935.19	3,418.78	40.50	7.29	-	2.92	5,361.50

Statement Statement of Changes in Equity

For the year ended March 31, 2023

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Reserve and Surplus				OCI		Shares pending allotment	Total		
	Capital redemption reserve	Statutory reserve	General reserve	Capital reserve created on account of amalgamation	Securities Premium	Retained earnings			Share options outstanding account	Equity Instruments through Other Comprehensive Income
Profit after tax	-	-	-	-	-	1,616.14	-	-	-	1,616.14
Other comprehensive income, net of income taxes	-	-	-	-	-	5.16	-	5.03	-	10.19
Share based payments to employees- for the period	-	-	-	-	-	-	22.79	-	-	22.79
Received on allotment of shares to employees pursuant to ESOP Scheme	-	-	-	-	37.61	-	-	-	-	37.61
Transferred from Retained Earning @ 20%	-	323.23	-	-	-	(323.23)	-	-	-	-
Interim equity dividend for FY 2021-22	-	-	-	-	-	(235.79)	-	-	-	(235.79)
Transfer on allotment of shares to employees pursuant to ESOP scheme	-	-	-	-	15.29	-	(15.29)	-	-	-
Transfer on cancellation of stock option	-	-	0.03	-	-	-	(0.03)	-	-	-
Share application money pending allotment	-	-	-	-	-	-	-	-	(2.92)	(2.92)
Balance as at March 31, 2022	3.40	1,335.08	13.11	(71.51)	988.09	4,481.06	47.97	12.32	-	6,809.52

As per our report of even date attached

For Ambani & Associates LLP
Chartered Accountants
FRN: 016923N

For Mahesh C Solanki & Co
Chartered Accountants
FRN: 006228C

For and on behalf of the Board of Directors

Hitesh Ambani
Partner
Membership No.: 506267

Rajat Jain
Partner
Membership No.: 413515

Rama Mohan Rao Amara
Managing Director & CEO
DIN: 08951394

Shrinivas Yeshwant Joshi
Independent Director
DIN: 05189697

Company Secretary

Chief Financial Officer

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

1 COMPANY OVERVIEW

SBI Cards and Payment Services Limited, (“the Company” or “SBI Card”) was incorporated on May 15, 1998 as a private limited Company. The Company’s registered office is at Netaji Subhash Place, Wazirpur, New Delhi – 110034 and its principal place of business is at DLF Infinity Towers, Gurugram, Haryana, 122002 and is domiciled in India. During the financial year 2019-20, the Company was converted to Public Limited from Private Limited and Registrar of Companies has issued fresh certificate of incorporation dated August 20, 2019. Further on March 12, 2020 fresh equity shares were allotted pursuant to Initial Public Offer (IPO) and Company was listed with effect from March 16, 2020 on Bombay Stock Exchange (BSE) and National Stock Exchange of India (NSE).

The Company is engaged in the business of issuing credit cards to consumers in India. State Bank Of India is having a holding of 68.98% as at March 31, 2023.

The Company is a Non-Deposit accepting Systemically Important Non-Banking Financial Company (NBFC-ND-SI) registered with Reserve Bank of India (RBI) vide Registration Number 14.01328 under section 45 IA of the RBI Act, 1934. Accordingly, all provisions of the Reserve Bank Act 1934 and all directions, guidelines or instructions of the RBI that have been issued from time to time and are in force and as applicable to a Non-Banking Financial Company are applicable to the company.

The Company also acts as corporate insurance agent for selling insurance policies to credit card customers. The Company has been granted license on March 01, 2012 by the Insurance Regulatory & Development Authority (IRDA) under the Insurance Regulatory & Development Authority (Insurance brokers) regulations, 2002 to act as a corporate insurance agent, valid up to March 31, 2025.

On April 28, 2023 the Board of Directors approved the financial statement of the Company and recommended for consideration and adoption by the shareholders in its Annual General Meeting.

2 COMPLIANCE WITH IND-AS'S

2.1 Statement of Compliance

These financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments that are measured

at fair values, the provisions of the Companies Act, 2013 (“the Act”) (to the extent notified).

Further the Company has complied with all the directions related to implementation of Indian Accounting Standards prescribed for Non-Banking Finance Company [NBFC] in accordance with Reserve Bank of India [RBI] notification dated March 13, 2020.

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

3 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

3.1 Use of estimates

The preparation of the Company’s financial statements is in conformity with the financial reporting framework applicable to the Company which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include provision for expected credit loss, estimated useful life of Tangible Assets and provisions and contingent liabilities. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any changes in estimates are recognised prospectively. Refer Note 4.16 for critical estimates and judgements applied in preparation of financial statements.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

3.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the Company’s functional currency. All financial information presented in INR has been rounded off to the nearest Crores (up to two decimals), unless otherwise stated.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

4 SIGNIFICANT ACCOUNTING POLICIES

4.1. Revenue recognition

The Company's operating revenues are comprised principally of service revenues such as Interest income on financial assets i.e. loans advanced, membership fee earned, transaction revenue earned on interchange including target incentives offered by network partners. Other fee and charges include cheque bounce charge, late fees, over limit fees etc. The Company also earns income from investments made.

Revenue is measured, as set out in Ind AS 115, at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. 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 being made. Amounts disclosed are net of returns, trade discounts, rebates, value added taxes.

4.1.1. Interest income

Interest income includes

- Interest income on dues from credit card holders and on EMI based advances.
- Interest Income from Fixed Deposit is recognised on accrual basis.
- Interest Income from Investment is recognised on Effective Interest Rate basis"

The Company recognises Interest income in line with Ind AS 109 and expense for all financial instruments, except those classified as held for trading or designated at fair value are recognised in 'Interest income' and 'Finance expense' in the statement of profit and loss using the effective interest rate method (EIR). The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. EIR is calculated by considering all costs and income attributable to all acquisition of a financial asset or assumption of a financial liability and it represents a rate that exactly discount estimated future cash payments / receipts through the expected life of the financial asset/ liability to the gross carrying amount of a financial asset or the amortised cost of a financial liability. In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of the financial asset at EIR.

4.1.2. Income from fees and services

The Company sells credit card memberships to card holders, income earned from the provision of membership services is recognised as revenue over the membership period consisting of 12 months at fair value of the consideration net of expected reversals/ cancellations.

Other service revenue consists of value-add services provided to the card holders. Other service revenues are recognised in the same period in which related transactions occur or services rendered.

Interchange fees are collected from acquirers and paid to issuers by network partners to reimburse the issuers for a portion of the costs incurred for providing services that benefit all participants in the system, including acquirers and merchants. Revenue from interchange income is recognised when related transaction occurs, or service is rendered.

4.1.3. Sale of services

The Company enters into contracts with co-brand partners and other service providers for marketing, sales and promotional activities. The income is recognised in the same period in which related performance is done as per the terms of the business arrangements.

Income from business process management services is recognised when (or as) the company satisfies performance obligation by transferring promised services to the customer.

4.1.4. Business Development Incentive

The Company enters into long-term contracts with network partners for various programs designed to build payments volume, increase product acceptance. Revenue recognition is based on estimated performance and the terms of the business arrangements. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations.

4.1.5. Insurance Commission Income

The Company acts as corporate insurance agent for selling insurance policies to credit card customers and the income arising therefrom is recognised in the same

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

period in which related transactions occurs or services rendered at fair value of consideration net off expected reversals/cancellations.

4.1.6. Dividend Income and Income from Sale of Investments

Dividend income is recognised when the right to receive the dividend is established.

Income from Fixed Deposit are recognised on accrual basis.

Interest on Investment are recognised using the effective interest rate [EIR] method.

Excess of sale price over purchase price of mutual fund units is recognised as income at the time of sale.

4.1.7. Unidentified receipts & Stale cheques

The total unidentified receipts which could not be credited or adjusted in the customers' accounts for lack of complete & correct information is considered as liability in balance sheet. The estimated unidentified receipts aged more than 6 months and up to 3 years towards the written off customers is written back as income on balance sheet date. Further, the unresolved unidentified receipts aged more than three years are also written back as other income on balance sheet date.

The liability for stale cheques aged for more than three years is written back as other income.

4.1.8. Recovery from bad debts

Recovery from bad debts written off and sale of written off portfolio is recognised as other income based on actual realisations. Any recovery over and above the actual written-off amount is accounted for as miscellaneous income.

4.2. Expenditure

Expenses are recognised on accrual basis. Expenses incurred on behalf of other companies, for sharing personnel, etc. are allocated to them at cost and reduced from respective expense classifications. Similarly, expense allocation received from other companies is included within respective expense classifications.

4.3. Finance cost

Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of funds are recognised using the Effective Interest Rate (EIR). Any expenditure which is directly attributable to borrowing is capitalized and amortised over the

life of loan. Borrowing cost also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

4.4. Property, Plant and Equipment

4.4.1. Recognition and Derecognition

Property, Plant and equipment including capital work in progress are stated at cost net of recoverable taxes, less accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit & loss when the asset is derecognised. The assets are fully depreciated over the life and residual value of the assets is considered as NIL, for the purpose of depreciation computation.

Capital work- in- progress includes cost of property, plant and equipment under installation / development as at the balance sheet date.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted accordingly, if appropriate.

4.4.2. Depreciation on Property, plant and equipment

Depreciation on property, plant and equipment is provided on straight line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Description	Useful Life
Furniture and Fixtures	10
Office equipment	5
Computers & Computer Equipment	3
Computer Server	6

Improvements of leasehold property are depreciated over the period of the lease term or useful life, whichever is shorter.

Right-of-use assets - Refer note 4.8.

4.5 Intangible assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets comprise purchase of software & Internally developed project. Software is recognised at cost and amortised using the straight line method over a period of three years. Internally developed projects are also recognised at cost and amortised using the straight line method over period of two to five years based on management's estimate of its useful life. Useful life of Intangible assets represents the period over which the Company expects to derive the economic benefits from the use of the asset.

Intangible assets under developments are intangible assets that are not ready for the intended use as on the balance sheet date and are disclosed as Intangible assets under development.

An item of intangible assets and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit & loss when the asset is derecognised.

4.6 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash

inflows that are largely independent of those from other assets or Company's assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Company also regularly assesses collectability of dues and creates appropriate impairment allowance based on internal provision matrix. Impairment losses are recognised in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

4.7 Financial Instruments

Initial Recognition

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and 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 measured on initial recognition of financial asset or financial liability.

Subsequent Recognition

(I) Non-derivative financial instruments

Financial Assets

Financial assets are carried at amortized cost using Effective Interest rate method (EIR):

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest [SPPI] on the principal amount outstanding.

Effective Interest Rate (EIR) method:

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at fair value through profit or loss (FVTPL).

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

having floating interest rate, at the respective reset date, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain/ loss measured using the previous EIR as calculated before the modification, is recognised in the Statement of Profit and Loss in period during which such renegotiations occur.

Financial assets at fair value through other comprehensive income [FVOCI]:

A financial asset is subsequently measured at fair value through Other Comprehensive Income 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 the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding [SPPI].

Financial assets at fair value through profit or loss (FVTPL):

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are recognized in Other Comprehensive Income.

Equity Investments designated under [FVOCI]

The classification is made on initial recognition and is irrevocable. All fair value changes of equity instruments excluding dividend are recognised in OCI and are not available for reclassification to the statement of profit and loss.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either;

- the Company has transferred the rights to receive cash flows from the financial assets, or
- the Company has retained the contractual right to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients."

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all the risks and rewards of the ownership of the financial assets. In such cases, the financial asset is derecognised.

Where the entity has not transferred substantially all the risks and rewards of the ownership of the financial assets, the financial asset is not derecognised. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial assets subsequently measured at amortised cost are generally held for collection of contractual cashflow. The Company on looking at economic viability of certain portfolios measured at amortised cost may enter into immaterial and/or infrequent transaction of sale of portfolio which doesn't affect the business model during of the Company.

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure;

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);

For recognition of impairment loss on Loans to customers, where no significant increase in credit risk [SICR] has been observed, such assets are classified in "Stage 1" and a 12 months ECL is recognised. Loans that are considered to have significant increase in credit risk are considered to be in "Stage 2" and those which are in default or for which there is an objective evidence of impairment are considered to be in "Stage 3". Lifetime ECL is recognised for stage 2 and stage 3 Loans. At every reporting date, the historical observed default rates are

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

updated and changes in the forward-looking estimates are analysed.

Further, for corporate portfolio, the Company's credit risk function also segregates loans with specific risk characteristics based on trigger events identified using sufficient and credible information available from internal sources supplemented by external data. Impairment allowance for these exposures are reviewed and accounted on a case by case basis. If in subsequent period, credit quality of the corporate loan improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12- months ECL. For further details refer to note 38.1.2

For trade receivables and other financial assets, the Company uses a provision matrix (simplified approach) to determine impairment loss allowance on the portfolio of receivables. The provision matrix is based on its historically observed default rates and management judgement/ estimates over the expected life of receivable.

Write off policy

Loans are written off when the Company has no reasonable expectation of recovering the financial asset (either in its entirety or a portion of it). A write off constitutes a derecognition event.

The Company estimates such write off to get triggered on accounts which are overdue for 191 days or more from payment due date. Further, for certain commercial accounts carrying specific provision and for certain categories of retail accounts in Stage 3, where the likelihood of recovery of the outstanding is remote, the Company may trigger an early charge off. Recoveries resulting from the Company's enforcement activities will result in other income.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest rate method.

De-recognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the

recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(II) **Derivative financial instruments**

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company does not use derivative financial instruments for speculative purposes. The counterparty to the Company's foreign currency forward contracts is generally a bank. The Company has derivative financial instruments which are designated as hedges.

Any derivative that is not designated as hedge is categorized as a financial asset or financial liability, at fair value through profit or loss account.

Hedging

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The Company designates certain foreign exchange forward contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on booked exposures. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Cash flow hedge

Hedging instruments are initially measured at fair value and are re-measured at subsequent reporting dates. The Company designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. The forward points of the currency forward contracts are therefore excluded from the hedge designation. The designated forward element is amortized in profit or loss account over a systematic basis. The change in forward element of the contract that relates to the hedge item is recognised in other comprehensive income in the cost of hedging reserve within equity. Amounts accumulated in other comprehensive income is reclassified to profit or loss in the period in which the hedged item hits profit or loss.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognized in cash flow hedging reserve is transferred to the Statement of Profit and Loss.

Offsetting of financial instruments:

Financials assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.8. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of an identified asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

The Company's lease asset classes primarily consist of Computer server and Building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight line basis over the lease term.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payment that depends on index or a rate, and amount to be paid under residual value guarantees. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company uses incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

4.9. Income-tax expense

Current Tax

Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates prescribed therein. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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-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 asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or direct in equity.

4.10. Foreign currency

Initial recognition

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of transaction.

Measurement of foreign currency items at the Balance sheet date.

Foreign currency monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively.

Forward exchange contracts are entered into, to hedge foreign currency risk of an existing asset/ liability.

The Company enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing liabilities. Derivative contracts being financial instruments not designated in a hedging relationship are recognised at fair value with changes being recognised in profit & loss account.

4.11. Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related services are recognised in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long-term employee benefit obligations

Gratuity

The Employee's Gratuity Fund Scheme, which is defined benefit plan, is managed by Trust maintained with SBI Life insurance Company limited. The liabilities with respect to Gratuity Plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the Company Gratuity Scheme. The difference, if any, between the actuarial valuation of the gratuity of employees at the year end and the balance of funds

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements
- Net interest expense or income
- Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on 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 a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

Long Service Award

The Company's long service award is defined benefit plan. The present value of obligations under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under

defined benefit plans, is based on the market yields on Government securities as at Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Compensated Absences

Accumulated leaves which is expected to be utilised within next 12 months is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement and is discharge by the year end. Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized based on undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated based on an actuarial valuation performed by an independent actuary using the projected unit credit method.

The Company has a policy on compensated absences which is by way of accumulating compensated absences arising during the tenure of the service is calculated by taking into consideration of availment of leave. Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized based on undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated based on an actuarial valuation performed by an independent actuary using the projected unit credit method.

National pension scheme (NPS)

The Company makes contributions to National Pension System (NPS), for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to NPS. The contributions payable to NPS by the Company are at rates specified in the rules of the schemes.

Employee stock Option Plan

Employees of the Company receive remuneration in the form of equity settled instruments, for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant in accordance with Ind AS 102.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

The expense is recognized in the statement of profit and loss with a corresponding increase to the share-based payment reserve, a component of equity. The equity instruments generally vest in a graded manner over the vesting period. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

The impact of the revision of the original estimates, if any, is recognized in Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

4.12. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year, except where the results would be anti-dilutive.

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity share outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares)

4.13. Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources

would be required to settle the obligation, the provision is reversed.

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

4.14. Provision for reward points redemption

The Company has a reward point's program which allows card members to earn points based on spends through the cards that can be redeemed for cash, gift vouchers and retail merchandize. The Company makes payments to its reward partners when card members redeem their points and creates provisions, based on the actuarial valuation by an independent valuer, to cover the cost of future reward redemptions. The liability for reward points outstanding as at the year-end and expected to be redeemed in the future is estimated based on an actuarial valuation.

4.15. Cash and Cash Equivalent

Cash and cash equivalents comprise cash balances on hand, cash balances in bank, funds in transit lying in nodal account of intermediaries/payment gateway aggregators and highly liquid investments with maturity period of three months or less from date of investment that are readily convertible to known of cash and which are subject to an insignificant risk of change in value.

4.16. Critical accounting judgements and key sources of estimation uncertainty

- (I) Revenue Recognition: Application of the various accounting principles in Ind AS 115 related to the measurement and recognition of revenue requires us to make judgments and estimates. Specifically, complex arrangements with nonstandard terms and conditions may require significant contract interpretation to determine the appropriate accounting. The Company consider various factors in estimating transaction volumes and estimated marketing activities target fulfilment, expected behavioural life of card etc.
- (II) Business development incentive: Estimation of business development incentives relies on forecasts of payments volume, card issuance etc. Performance is estimated using, transactional information - historical and projected information and involves certain degree of future estimation.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

- (III) Card life: Estimation of card life relies on behavioural life trend established basis past customer behaviour / observed life cycle at a portfolio level.
- (IV) Differences between actual results and our estimates are adjusted in the period of actual performance
- (V) Management is required to assess the probability of loss and amount of such loss with respect to legal proceedings, if any, in preparing of financial statements
- (VI) Property, Plant and equipment: The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as change in technology.
- (VII) Impairment of financial assets: A number of significant judgements are also required in applying the accounting requirements for measuring ECL such as;
- Establishing groups of similar financial assets for the purposes of measuring ECL (Portfolio segmentation)
 - Defining default
 - Determining criteria for significant increase in credit risk.
 - Choosing appropriate models and assumptions for measurement of ECL.
 - Use of significant judgement in estimating future economic scenario to calculate management overlay over base ECL model.
- (VIII) Fair value measurements and valuation processes
- In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.
 - Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 38.
 - All assets and liabilities for which fair value is measured 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.
- For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
- (IX) Cost of reward points: The cost of reward point includes the cost of future reward redemption which is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.
- (X) Defined Benefit Plans (Gratuity): The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

(XI) Lease: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that

option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

5 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks (of the nature of cash and cash equivalents)		
Current Accounts *	56.94	17.75
Funds in transit (lying in nodal account of intermediaries/payment gateway aggregators)	733.82	636.22
Investment in Government Securities with maturity less than three months**	199.03	104.19
Total	989.79	758.16

*Current account balance for the period ended March 31, 2023 includes ₹ 0.74 Crores held in Escrow account to meet IPO expenses (for year ended March 31, 2022 ₹ 0.74 crores)

** The balances held as Investment in Government Securities with original maturity of less than three months as at March 31, 2023 are as follows:

Particulars	Face Value	Units	Amount
182DTB28042023	100	2,00,00,000.00	199.03
Total		2,00,00,000.00	199.03

** The balances held as Investment in Government Securities with original maturity of less than three months as at March 31, 2022 are as follows:

Particulars	Face Value	Units	Amount
91DTB16062022	100	1,05,00,000.00	104.19
Total		1,05,00,000.00	104.19

6 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits (under Lien) with original maturity for more than 3 months	8.22	8.17
Earmarked balances with bank		
Unpaid dividend *	236.65	235.87
Non moving credit balance of customers	119.32	103.26
Unidentified receipts	0.34	0.78
Unpaid exgratia to customers	0.15	0.15
Total	364.68	348.23

Particulars	As at March 31, 2023	As at March 31, 2022
* Unpaid dividend, gross of TDS amount.		
For the FY 2019-20	0.07	0.07
For the FY 2021-22	0.06	235.80
For the FY 2022-23	236.52	-
Total	236.65	235.87

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

7 TRADE RECEIVABLES

Particulars	As at March 31, 2023	As at March 31, 2022
To be realised within twelve months after reporting date:		
Trade Receivables considered good - Unsecured	142.16	168.47
Trade Receivables which have significant increase in Credit Risk	2.85	0.04
Less:- Impairment loss allowance	(2.85)	(0.04)
Total	142.16	168.47

- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.
- No trade receivables are due from firms including LLP, private companies respectively in which any director is a partner, a director or a member.
- The average credit period on sale of services is 30-60 days. No interest is charged on trade receivables from the date of the invoice.

Trade Receivables Ageing Schedule as March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables - considered good	43.30	80.44	18.42	-	-	-	-	142.16
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	0.50	2.35	-	-	-	2.85
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total- Gross	43.30	80.44	18.92	2.35	-	-	-	145.01

Trade Receivables Ageing Schedule as March 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivables - considered good	19.61	113.90	34.95	-	-	-	-	168.47
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	0.04	-	-	-	0.04
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-
Total- Gross	19.61	113.90	34.95	0.04	-	-	-	168.51

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

8 LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
At Amortized Cost		
(A)		
Other- Loans & advances to customers		
To be realised within twelve months after reporting date	36,309.03	27,248.95
To be realised after twelve months after reporting date	4,412.59	4,032.42
Total (A)- Gross	40,721.62	31,281.37
Less:- Impairment loss allowance	(1,360.64)	(1,094.12)
Total (A)- Net	39,360.98	30,187.25
(B)		
(i) Secured by lien on fixed deposits and financial guarantees	283.46	340.30
(ii) Unsecured	40,438.16	30,941.07
Total (B)- Gross	40,721.62	31,281.37
Less:- Impairment loss allowance	(1,360.64)	(1,094.12)
Total (B)- Net	39,360.98	30,187.25
(C) Loans in India		
(i) Public sector	31.47	10.06
(ii) Others	40,690.15	31,271.31
Total (C)- Gross	40,721.62	31,281.37
Less:- Impairment loss allowance	(1,360.64)	(1,094.12)
Total (C)- Net	39,360.98	30,187.25

Refer note 38.1.2

Loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013) in the normal course of business

- repayable on demand : Nil
- without specifying any terms or period of repayment : Nil

The company has given the credit card advances to promoters, directors, KMPs and the related parties in the normal course of business are shown as below:

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	0.04	0.00%	0.02	0.00%
Directors	0.03	0.00%	0.03	0.00%
KMPs	0.01	0.00%	0.03	0.00%
Related Parties	0.56	0.00%	0.25	0.00%

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

9 INVESTMENTS

Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
At Amortized Cost		
Investment to be realised within twelve months after the reporting date		
Investment in Government Securities	567.61	878.31
Investment to be realised after twelve months after the reporting date		
Investment in Government Securities	1,552.95	400.96
Equity instruments	-	-
At Fair Value through Other Comprehensive Income		
Investment to be realised after twelve months after the reporting date		
Equity instruments	19.13	17.92
Total	2,139.69	1,297.19
(B)		
(i) Investment outside India	-	-
(ii) Investment in India	2,139.69	1,297.19
Total	2,139.69	1,297.19
(C)		
Less - Allowance for Impairment Loss	-	-
Total Net (A - C)	2,139.69	1,297.19

The balances held as Investment as at March 31, 2023 are as follows:

Particulars	Face Value	Units	Amount
Investment in Government Securities (Current)			
364DTB18052023	100	1,50,00,000	148.90
364DTB22062023	100	80,00,000	78.92
364DTB03082023	100	1,40,00,000	137.19
364DTB12102023	100	2,10,00,000	202.60
Total		5,80,00,000	567.61
Investment in Government Securities (Non-Current)			
7.32% GS2024	100	80,00,000	82.89
6.18% GS2024	100	1,25,00,000	130.67
5.22% GS2025	100	1,95,00,000	197.59
5.74% GS2026	100	1,30,00,000	126.99
6.97% GS2026	100	95,00,000	94.96
6.79% GS2027	100	60,00,000	60.44
7.38% GS2027	100	5,50,00,000	563.21
7.26% GS2029	100	35,00,000	35.27
7.10% GS2029	100	65,00,000	66.10
7.26% GS2032	100	1,95,00,000	194.82
Total		15,30,00,000	1,552.95
Equity instruments (Amortised Cost)			
SBI Foundation *	10	1,001	0.00
* Face value of the equity instrument as on March 31, 2023 is ₹ 10.010			
Total		1,001	0.00
Equity instruments (fair value through OCI)			
Online PSB Loans Limited	10	1,12,996	19.13
Total		1,12,996	19.13

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

The balances held as Investment as at March 31, 2022 are as follows:

Particulars	Face Value	Units	Amount
Investment in Government Securities (Current)			
182DTB04052022	100	75,00,000	74.74
182DTB19052022	100	1,55,00,000	154.24
364DTB23062022	100	50,00,000	49.58
182DTB28072022	100	70,00,000	69.07
182DTB04082022	100	2,05,00,000	202.06
182DTB18082022	100	1,35,00,000	132.92
364DTB13102022	100	1,25,00,000	122.43
364DTB02112022	100	75,00,000	73.27
Total		8,90,00,000	878.31
Investment in Government Securities (Non-Current)			
7.32% GS2024	100	80,00,000	85.07
6.18% GS2024	100	1,25,00,000	132.16
5.22% GS2025	100	1,80,00,000	183.73
Total		3,85,00,000	400.96
Equity instruments (Amortised Cost)			
SBI Foundation*	10	1,001	0.00
* Face value of the equity instrument as on March 31, 2022 is ₹ 10.010			
Total		1,001	0.00
Equity instruments (fair value through OCI)			
Online PSB Loans Limited	10	1,12,996	17.92
Total		1,12,996	17.92

10 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
To be realised within twelve months after reporting date:		
Contract Asset *		
Receivables considered good - unsecured	53.68	69.63
Security deposits		
Unsecured, considered good	0.34	4.81
Unsecured, which have significant increase in credit risk	1.52	1.96
Other recoverable - Considered good	2.90	0.56
Other recoverable which have significant increase in credit risk	0.77	0.43
Less : - Impairment loss allowance	(2.29)	(2.39)
Sub total	56.92	75.00
To be realised after twelve months after reporting date:		
Contract Asset*		
Receivables considered good - Unsecured	334.44	118.26
Security deposits		
Unsecured, considered good	25.13	20.06
Unsecured, which have significant increase in credit risk	0.39	-
Less:- Impairment loss allowance	(0.39)	-
Sub total	359.57	138.32
Total	416.49	213.32

* Refer note 36

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

11 CURRENT TAX LIABILITIES/ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax asset(net)		
To be settled within twelve months after reporting date:		
Advance income tax (net of provision)	5.68	41.24
Total	5.68	41.24

12 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2023	As at March 31, 2022
To be adjusted after twelve months after reporting date:		
- Deferred tax asset	246.67	218.53
Total	246.67	218.53

For the year ended March 31, 2023

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	DTA Rate Change and Previous year trueup	Closing balance
Deferred tax (liabilities)/assets in relation to:					
Property, plant and equipment	7.80	5.33	-	(0.35)	12.78
Membership & processing fee	125.20	34.20	-	-	159.40
Provision for expenses	18.82	20.73	-	(4.96)	34.59
Staff benefits and statutory dues	5.09	1.28	1.15	1.25	8.77
Fair valuation of derivatives	0.00	-	0.12	-	0.12
Fair valuation of Investment through OCI	(4.14)	-	(0.30)	-	(4.44)
Amortisation of card acquisition cost	(189.95)	(74.65)	-	-	(264.60)
Provision for doubtful debts & ECL	256.27	46.67	-	0.20	303.14
Debt Issue expenses	(0.52)	0.38	-	-	(0.14)
Income on investment	(0.05)	-	-	-	(0.05)
Other financial liabilities	-	(2.90)	-	-	(2.90)
Total	218.53	31.03	0.97	(3.86)	246.67

There are no unrecognised deductible temporary differences.

For the year ended March 31, 2022

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	DTA Rate Change and Previous year trueup	Closing balance
Deferred tax (liabilities)/assets in relation to:					
Property, plant and equipment	3.18	4.77	-	(0.15)	7.80
Membership & processing fee	102.80	22.40	-	-	125.20
Provision for expenses	22.44	4.33	-	(7.95)	18.82
Staff benefits and statutory dues	17.01	(1.96)	(1.73)	(8.23)	5.09

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	DTA Rate Change and Previous year trueup	Closing balance
Fair valuation of derivatives	(0.04)	0.04	-	-	0.00
Fair valuation of Investment through OCI	(2.45)	-	(1.69)	-	(4.14)
Amortisation of card acquisition cost	(167.68)	(22.27)	-	-	(189.95)
Provision for doubtful debts & ECL	420.66	(165.34)	-	0.95	256.27
Debt Issue expenses	(1.10)	0.58	-	-	(0.52)
Income on investment	0.26	1.35	-	(1.66)	(0.05)
Total	395.09	(156.10)	(3.42)	(17.04)	218.53

There are no unrecognised deductible temporary differences.

13 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
Property, plant and equipment		
A. Carrying amounts of:		
Furniture & fixture	2.59	2.69
Office equipment	2.75	3.60
Computers including server (owned)		
- Owned	46.41	16.96
Leasehold improvements	8.61	15.95
Total	60.36	39.20
B. Capital work in progress		
Capital work in progress	6.06	0.49
Total	6.06	0.49
Intangible Assets		
A. Carrying value of other intangible assets		
Computer software	103.42	116.41
Total	103.42	116.41
B. Intangible Assets under development		
Intangible assets under development	16.63	13.75
Total	16.63	13.75
Right-of-use Assets		
Computer server on lease	244.11	127.72
Building	143.07	156.13
Total	387.18	283.85
Total	573.65	453.70

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

13.1 Property Plant and Equipments-Cost

Particulars	Furniture & Fixture	Office equipment	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
Balance as at April 01, 2022	3.90	11.39	87.68	39.16	142.13	0.49
Additions	0.33	1.01	38.78	0.11	40.23	12.69
Deletions	(0.05)	(0.72)	(3.56)	(3.74)	(8.07)	(7.12)
Balance at March 31, 2023	4.18	11.68	122.90	35.53	174.29	6.06

Property Plant and Equipments-Accumulated Depreciation

Particulars	Furniture & Fixture	Office equipment	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
Balance as at April 01, 2022	1.21	7.79	70.72	23.21	102.93	-
Depreciation during the period	0.41	1.85	9.31	7.45	19.02	-
Eliminated on disposals of assets	(0.02)	(0.72)	(3.55)	(3.74)	(8.02)	-
Balance at March 31, 2023	1.60	8.92	76.48	26.92	113.93	-
Net Book Value as at March 31, 2023	2.59	2.75	46.41	8.61	60.36	6.06

Property Plant and Equipments-Cost

Particulars	Furniture & Fixture	Office equipment	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
Balance at April 01, 2021	3.67	11.30	81.52	41.39	137.88	0.49
Additions	0.51	0.45	6.67	3.10	10.73	2.73
Deletions	(0.28)	(0.36)	(0.51)	(5.33)	(6.48)	(2.73)
Balance at March 31, 2022	3.90	11.39	87.68	39.16	142.13	0.49

Property Plant and Equipments-Accumulated Depreciation

Particulars	Furniture & Fixture	Office equipment	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
Balance as at April 01, 2021	0.93	5.96	54.89	19.64	81.42	-
Depreciation during the period	0.41	2.17	16.29	8.46	27.33	-
Eliminated on disposals of assets	(0.13)	(0.34)	(0.46)	(4.89)	(5.82)	-
Balance at March 31, 2022	1.21	7.79	70.72	23.21	102.93	-
Net Book Value as at March 31, 2022	2.69	3.60	16.96	15.95	39.20	0.49

There has been no impairment losses recognised during the year. The entire property, plant & equipments of the Company (present and future) has been given as Collateral Security with a first charge right to consortium bankers.

CWIP ageing schedule for March 31, 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	6.06	-	-	-	6.06
Project temporarily suspended	-	-	-	-	-
Total	6.06	-	-	-	6.06

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

CWIP ageing schedule for March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	-	0.49	-	-	0.49
Project temporarily suspended	-	-	-	-	-
Total	-	0.49	-	-	0.49

There are no Capital work in progress which is overdue or has exceeded its cost compared to its original plan as of March 31, 2023 (Previous year Nil)

13.2 Intangible Assets

Particulars	Computer software	Intangible assets under development
At Cost		
Balance as at April 01, 2022	260.84	13.75
Additions	44.92	35.11
Disposals	(0.01)	(32.23)
Balance at March 31, 2023	305.75	16.63
Accumulated depreciation and impairment		
Balance as at April 01, 2022	144.43	-
Depreciation charge for the year	57.91	-
Disposals/adjustments	(0.01)	-
Balance at March 31, 2023	202.33	-
Net Book Value as at March 31, 2023	103.42	16.63

Particulars	Computer software	Intangible assets under development
At Cost		
Balance as at April 01, 2021	177.11	9.58
Additions	83.73	20.78
Disposals	-	(16.61)
Balance at March 31, 2022	260.84	13.75
Accumulated depreciation and impairment		
Balance as at April 01, 2021	87.45	-
Depreciation charge for the year	56.98	-
Disposals/adjustments	-	-
Balance at March 31, 2022	144.43	-
Net Book Value as at March 31, 2022	116.41	13.75

(a) Intangible asset under development ageing schedule

Details of intangible asset under development as on March 31, 2023, is as below:

Intangible asset under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	16.04	0.06	-	-	16.10
Project temporarily suspended	-	0.53	-	-	0.53
Total	16.04	0.59	-	-	16.63

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Details of intangible asset under development as on March 31, 2022, is as below:

Intangible asset under development	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Projects in progress	13.62	0.13	-	-	13.75
Project temporarily suspended	-	-	-	-	-
Total	13.62	0.13	-	-	13.75

(b) Intangible asset under development completion schedule

There are no Intangible assets under development which is overdue or has exceeded its cost compared to its original plan as of March 31, 2023 (Previous year Nil)

13.3 Right-of-Use assets

Particulars	Computer server on lease	Building	Total
At Cost			
Balance as at April 01, 2022	207.57	220.97	428.54
Additions	168.37	21.84	190.21
Disposals/adjustments	(30.88)	(0.28)	(31.16)
Balance at March 31, 2023	345.06	242.53	587.59
Accumulated depreciation and impairment			
Balance as at April 01, 2022	79.85	64.84	144.69
Depreciation during the year	51.98	34.90	86.88
Disposals/adjustments	(30.88)	(0.28)	(31.16)
Balance at March 31, 2023	100.95	99.46	200.41
Net Book Value as at March 31, 2023	244.11	143.07	387.18

Particulars	Computer server on lease	Building	Total
At Cost			
Balance at April 01, 2021	165.52	115.94	281.46
Additions	60.77	125.35	186.12
Disposals/adjustments	(18.72)	(20.32)	(39.04)
Balance at March 31, 2022	207.57	220.97	428.54
Accumulated depreciation and impairment			
Balance at April 01, 2021	61.73	57.75	119.48
Depreciation during the year	36.84	27.41	64.25
Disposals/adjustments	(18.72)	(20.32)	(39.04)
Balance at March 31, 2022	79.85	64.84	144.69
Net Book Value as at March 31, 2022	127.72	156.13	283.85

14 OTHER NON FINANCIAL ASSETS

Particulars	As at March 31, 2023	As at March 31, 2022
To be realised within twelve months after reporting date:		
Service tax / GST recoverable		
Unsecured, considered good	135.28	120.56
Prepaid expenses	45.72	31.50

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Unamortised Card acquisition cost*	175.68	135.28
Other advances		
Unsecured, considered good	71.60	52.26
Unsecured, which have significant increase in credit risk	0.03	0.01
Sub Total - Gross	428.31	339.61
Less : - Impairment loss allowance	(0.03)	(0.01)
Sub Total - Net (A)	428.28	339.60
To be realised after twelve months after reporting date:		
Service tax / GST recoverable		
Unsecured, which have significant increase in credit risk	6.32	5.41
Prepaid expenses	1.86	3.30
Unamortised Card acquisition cost*	875.63	619.44
Sub Total - Gross	883.81	628.15
Less : - Impairment loss allowance	(6.32)	(5.41)
Sub Total - Net (B)	877.49	622.74
Total Net (A+B)	1,305.77	962.34

* Refer note 36

15 DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITIES)

Particulars	As at March 31, 2023	As at March 31, 2022
Part I		
(i) Currency Derivatives		
Spot and forwards	1.10	-
Total	1.10	-
Part I (a)		
(i) Cash Flow hedging		
Currency derivatives	1.10	-
Total	1.10	-

16 PAYABLES

Particulars	As at March 31, 2023	As at March 31, 2022
Payable within twelve months after reporting date:		
(I) Trade payables*		
(i) total outstanding dues of micro enterprises and small enterprises	92.47	36.26
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *	1302.95	1080.54
Total (A)	1395.42	1116.80
(II) Other payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		
(a) total outstanding dues to employees	1.13	1.65
(b) total outstanding dues to capital creditors	9.41	9.22
Total (B)	10.54	10.87
Total (A+B)	1405.96	1127.67

(*) Average credit period is 30 to 120 days from the date of services rendered and no interest is due on outstanding balances as at reporting date. The company has financial risk management policies in place to ensure that all payables are paid within the pre agreed credit terms.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

16.1 Disclosures under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

In terms of notification dated December 4, 2015 issued by the Central Government of India, the disclosure related to trade payables as at the end of the period are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting period	92.47	36.26
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting period	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Trade Payables ageing schedule as at March 31, 2023

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	87.16	0.99	4.32	-	-	-	-	92.47
(ii) Others	1,163.58	114.36	23.28	0.47	1.21	0.04	-	1,302.95
(iii) Disputed dues - MSME	-	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-	-
Total	1,250.74	115.35	27.60	0.47	1.21	0.04	-	1,395.42

Trade Payables ageing schedule as at March 31, 2022

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payments					Total
			Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	31.98	3.48	0.80	-	-	-	-	36.26
(ii) Others	945.93	116.68	17.80	0.01	-	-	0.11	1,080.54
(iii) Disputed dues - MSME	-	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-	-
Total	977.91	120.16	18.60	0.01	-	-	0.11	1,116.80

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

17 DEBT SECURITIES

At amortized cost

Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
(i) From Others		
Unsecured		
(i) Commercial paper		
- To be settled within twelve months after reporting date;	0.00	815.16
(ii) Debentures		
- To be settled within twelve months after reporting date;	1,651.21	1,486.18
- To be settled after twelve months after reporting date;	4,955.00	4,805.00
Total (A)	6,606.21	7,106.34
(B)		
Debt Securities in India	6,606.21	7,106.34
Total (B)	6,606.21	7,106.34

The Company has complied with all the terms and conditions of the loan agreements for borrowings, including the timely repayment of the principal, interest amounts and other financial covenants as specified in the loan agreements.

17.1 Details of non-convertible debentures (NCD)

Particulars	As at March 31, 2023	As at March 31, 2022
9.15% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in June 2022)	-	450.00
8.55% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in August 2022)	-	175.00
7.60% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in February 2023)	-	410.00
7.50% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in March 2023)	-	300.00
6.85% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in June 2023)	400.00	400.00
5.75% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in November 2023)	500.00	500.00
5.90% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in February 2024)	550.00	550.00
5.70% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in May 2024)	455.00	455.00
5.55% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in June 2024)	500.00	500.00
5.70% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in August 2024)	500.00	500.00
5.75% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in November 2024)	500.00	500.00
5.82% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in December 2024)	650.00	650.00
7.40% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in February 2025)	300.00	300.00
7.51% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in June 2025)	750.00	-
7.39% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in September 2025)	500.00	-
7.90% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in November 2025)	350.00	-
6.00% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in December 2025)	450.00	450.00
Total	6,405.00	6,140.00
Interest accrued and impact of EIR	201.21	151.18
Total	6,606.21	6,291.18

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

18 BORROWINGS (OTHER THAN DEBT SECURITIES)

Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
(a) From Bank (Other than Related Party)		
Unsecured Loans (Refer note 18.1 below)		
(i) Term loan		
- To be settled after twelve months after reporting date;	2,749.62	499.95
(b) From Bank (Related Party)		
Secured Loans (Refer note 18.2 below)		
(i) Working capital loans		
- To be settled within twelve months after reporting date;	15,040.78	9,398.64
(ii) Foreign currency working capital loans		
- To be settled within twelve months after reporting date;	404.98	-
(c) From Bank (other than Related Party)		
Secured Loans (Refer note 18.2 below)		
(i) Working capital loans		
- To be settled within twelve months after reporting date;	4,947.49	4,781.51
Total (A)	23,142.86	14,680.10
(B)		
Borrowings in India	23,142.86	14,680.10
Total (B)	23,142.86	14,680.10

The Company has complied with all the terms and conditions of the loan agreements for borrowings, including the timely repayment of the principal, interest amounts and other financial covenants as specified in the loan agreements.

18.1 Repayment schedule of term loan is as below :

Particulars	As at March 31, 2023	As at March 31, 2022
8.08 % Unsecured Term Loan (Bullet repayment in June 2025)	500.00	500.00
7.75 % Unsecured Term Loan (Bullet repayment in January 2026)	500.00	-
7.98 % Unsecured Term Loan (Bullet repayment in May 2026)	500.00	-
7.85 % Unsecured Term Loan (repayment as below)	499.81	-
Repayment in July 2024	124.81	
Repayment in July 2025	125.00	
Repayment in July 2026	125.00	
Repayment in April 2027	125.00	
7.90 % Unsecured Term Loan (repayment as below)	499.90	-
Repayment in February 2027	124.90	
Repayment in February 2028	375.00	
8.05 % Unsecured Term Loan (Bullet repayment in March 2026)	250.00	-
Total	2,749.71	500.00
Interest accrued and impact of EIR	(0.09)	(0.05)
Total	2,749.62	499.95

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

18.2 Secured by

Primary Security	Collateral Security	Repayment terms	Guaranteed by
First Charge on entire current assets of the company (present and future) including Hypothecation of Receivables.	First Charge on entire property, plant & equipments of the company (present and future).	Within 12 months	NA

Details of Default	Quarterly returns filled with banks are in agreement with books of accounts
Nil	Yes

Working capital loan as on March 31, 2023 includes cash credit (related party): ₹ 68.94 crores (March 31, 2022 ₹ 199.98 Crores)

Interest rate on working capital loans varies from 6.60% to 7.98% and on cash credit facility varies from 7.05% to 8.55%

19 SUBORDINATED LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
(A)		
Unsecured non-convertible debentures		
- Redeemable within twelve months after reporting date; and	760.54	146.02
- Redeemable after twelve months after reporting date;	600.00	1,050.00
Total (A)	1,360.54	1,196.02
(B)		
Subordinated liabilities in India	1,360.54	1,196.02
Total (B)	1,360.54	1,196.02

The Company has complied with all the terms and conditions of the loan agreements for borrowings, including the timely repayment of the principal, interest amounts and other financial covenants as specified in the loan agreements.

19.1 Details of non-convertible debentures

Particulars	As at March 31, 2023	As at March 31, 2022
9.65% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in April 2022)	-	100.00
8.30% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in May 2023)	500.00	500.00
8.10% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in October 2023)	200.00	200.00
9.55% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in January 2029)	250.00	250.00
8.99% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in June 2029)	100.00	100.00
8.25% Unsecured NCD of ₹ 10,000,000 each (Redeemable at par in June 2032)	250.00	-
Total	1,300.00	1,150.00
Interest accrued and impact of EIR	60.54	46.02
Total	1,360.54	1,196.02

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Net Debt reconciliation for the year ended March 31, 2023

Particulars	Opening Balance	Cashflows	Non Cash Changes			Closing balance
			Interest /amortization	Foreign Exchange Movement	Others	
Debt Securities						
Commercial papers	815.16	(809.42)	(5.74)	-	-	0.00
Debentures	6,291.18	265.00	50.03	-	-	6,606.21
Borrowings (other than debt securities)						
Working capital loans	14,180.15	5,808.21	(0.10)	-	-	19,988.26
Term Loan	499.95	2,249.71	(0.04)	-	-	2,749.62
Foreign currency working capital loans	-	400.00	1.84	3.14	-	404.98
Subordinated Liabilities						
Debentures	1,196.02	150.00	14.52	-	-	1,360.54
Total	22,982.46	8,063.50	60.51	3.14	-	31,109.61

Net Debt reconciliation for the year ended March 31, 2022

Particulars	Opening Balance	Cashflows	Non Cash Changes			Closing balance
			Interest /amortization	Foreign Exchange Movement	Others	
Debt Securities						
Commercial papers	2,212.14	(1,347.37)	(49.61)	-	-	815.16
Debentures	3,720.79	2,495.00	75.39	-	-	6,291.18
Borrowings (other than debt securities)						
Working capital loans	10,663.52	3,516.56	0.08	-	-	14,180.15
Term Loan	-	500.00	(0.05)	-	-	499.95
Subordinated Liabilities						
Debentures	1,298.33	(100.00)	(2.31)	-	-	1,196.02
Total	17,894.78	5,064.19	23.50	-	-	22,982.46

20 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Payable within twelve month after reporting period		
Unpaid dividends	216.01	213.00
Payable to Network Partners	700.14	684.54
Excess amount from Card holders	312.08	355.12
Lease liability	92.49	62.38
Other liabilities	34.64	17.58
Payable after twelve months after reporting date		
Lease liability	328.98	240.07
Total	1684.34	1572.69

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

21 PROVISIONS

Particulars	As at March 31, 2023	As at March 31, 2022
Employee Benefits		
(i) Liabilities to be settled within twelve months after reporting date		
- Provision for compensated absence	6.10	4.90
- Provision for long service awards	1.18	1.66
- Provision for bonus & Incentive Payable	67.21	45.65
Sub Total (A)	74.49	52.21
(ii) Liabilities to be settled after twelve months after reporting date		
- Provision for compensated absence	10.70	10.60
- Provision for long service awards	3.83	4.44
Sub Total (B)	14.53	15.04
Others		
(i) Liabilities to be settled within twelve months after reporting date		
- Provision for reward points redemption*	374.52	265.73
Sub Total (C)	374.52	265.73
(ii) Liabilities to be settled after twelve months after reporting date		
- Provision for reward points redemption*	174.45	144.41
Sub Total (D)	174.45	144.41
Total	637.99	477.39

* Refer note 40

22 OTHER NON FINANCIAL LIABILITIES

Particulars	As at March 31, 2023	As at March 31, 2022
Liabilities to be settled within twelve months after reporting date:		
Revenue received in advance- Unamortised membership fees *	531.44	441.16
Statutory liabilities	298.91	269.35
Fees received in advance	46.15	25.01
Total	876.50	735.52

* Refer note 36

23 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Capital				
Equity shares of ₹ 10 each	1,50,00,00,000	1,500.00	1,50,00,00,000	1,500.00
	1,50,00,00,000	1,500.00	1,50,00,00,000	1,500.00
Issued, Subscribed and Paid up				
Equity shares of ₹ 10 each	94,60,74,389	946.07	94,31,72,489	943.18
TOTAL	94,60,74,389	946.07	94,31,72,489	943.18

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Reconciliation of the number of shares				
Balance as at the beginning of the year	94,31,72,489	943.18	94,05,25,456	940.53
Movements*	29,01,900	2.90	26,47,033	2.65
Balance as at the end of the year	94,60,74,389	946.07	94,31,72,489	943.18

* During the year ended March 31, 2023, 2,901,900 Equity shares (Previous year 2,647,033) of ₹ 10 each has been allotted under ESOP scheme.

(ii) Rights, preferences and restriction attached to shares

The company has only one class of equity share having par value of ₹ 10 per share. Each holder of the equity share is entitled to one vote per share. In the liquidation of the company, the holders of the equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

(iii) Shares held by Holding Company (face value of ₹ 10/- each)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Shares held by State Bank of India	65,26,33,992	652.63	65,26,33,992	652.63

(iv) Shares held by each shareholder holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	%	Number of Shares	%	Number of Shares
Holding Company				
Shares held by State Bank of India	68.98%	65,26,33,992	69.20%	65,26,33,992

(v) Shares reserved for issue under Employee Stock Option Plan

Particulars	No. of Stock options / Equity shares
a. Number of equity shares approved/reserved for issue under Employee Stock Option Plan, 2019 to employees of the company drawn in accordance with SEBI guidelines 1999	2,79,70,028
b. Option granted under the scheme up to March 31, 2023	1,34,75,650
c. Option cancelled up to March 31, 2023 and added back to pool for future grants	5,09,265
d. Option granted net of cancellation under the scheme up to March 31, 2023 (d= b-c)	1,29,66,385
e. Balance available under the scheme for future grants (e= a-d)	1,50,03,643

(vi) Shares held by promoters at the end of the year

Particulars	As at March 31, 2023	As at March 31, 2022
	Promoter name	State Bank of India
No. of Shares	65,26,33,992	65,26,33,992
% of total shares	68.98%	69.20%
% Change during the year	-0.21%	-0.19%

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

24 OTHER EQUITY

Particulars	As at March 31, 2023	As at March 31, 2022
Capital redemption reserve (refer note 24.1 below)	3.40	3.40
Statutory reserve (refer note 24.2 below)	1,786.77	1,335.08
General reserve (refer note 24.3 below)	21.12	13.11
Capital reserve (on account of amalgamation) (refer note 24.4 below)	(71.51)	(71.51)
Securities Premium reserve (refer note 24.5 below)	1,049.16	988.09
Retained earnings (refer note 24.6 below)	6,042.02	4,481.06
Share options outstanding account (refer note 24.7 below)	40.13	47.97
Cash flow hedging reserve (refer note 24.8 below)	(0.34)	-
Share application money pending allotment (refer note 24.9 below)	-	-
Equity investment through OCI (refer note 24.10 below)	13.23	12.32
Total	8,883.99	6,809.52

24.1 Capital redemption reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	3.40	3.40
Balance as at the end of the year	3.40	3.40

Nature and purpose of reserve: Where a company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet. The capital redemption reserve account may be applied by the company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

24.2 Statutory reserve

(Under Section 45-IC of the Reserve Bank of India Act, 1934)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	1,335.08	1,011.85
Add: Transferred from Retained Earning @ 20%*	451.69	323.23
Total	1,786.77	1,335.08

Nature and purpose of reserve: Statutory reserves is created based on statutory requirements under Section 45-IC of the Reserve Bank of India Act, 1934 and is not available for distribution as dividend.

*Refer Note 24.6

24.3 General reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	13.11	13.08
Add: Amount transferred from Share options outstanding account*	2.12	0.03
Add: Amount transferred from retained earnings for unclaimed customer credit balance above 10 years**	5.89	0.00
Balance as at the end of the year	21.12	13.11

Nature and purpose of reserve: General reserve are the retained earning of the Company which are kept aside out of company's profit to meet future (known or unknown) obligation.

* Refer note 24.7

** Refer note 24.6

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

24.4 Capital reserve (on account of amalgamation)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	(71.51)	(71.51)
Balance as at the end of the year	(71.51)	(71.51)

Nature and purpose of reserve: Capital reserve represents a reserve which is created pursuant to amalgamation of SBI Business Process Management Services Private Limited (SBI BPMSL) vide order passed by Hon'ble National Company Law Tribunal (NCLT) dated June 04, 2019 effective from April 01, 2018.

24.5 Securities premium

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	988.09	935.19
Add: During the period *	41.24	37.61
Add: Transfer from share options outstanding account**	19.83	15.29
Balance as at the end of the year	1049.16	988.09

Nature and purpose of reserve: Securities premium is used to record the premium on issue of shares. It can be utilised only for limited purposes in accordance with the provision of the Companies Act, 2013.

* During the period ended March 31, 2023 addition during the year represents securities premium received on account of ESOP allotment for ₹ 41.24 Crores (Previous year ₹ 37.61 Crores)

** Refer note 24.7

24.6 Retained earnings

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	4481.06	3,418.78
Add: Profit for the period	2258.47	1616.14
Less: Interim equity dividend	(236.52)	(235.79)
Less: Amount transferred from retained earnings for unclaimed customer credit balance above 10 years	(5.89)	0.00
Add: Transfer From Other Comprehensive Income	(3.41)	5.16
Less: Transfer to Statutory reserve (section 45-IC of The Reserve Bank of India Act, 1934) @20% of PAT	(451.69)	(323.23)
Balance as at the end of the year	6,042.02	4,481.06

Nature and purpose of reserve: Retained earnings represent the amount of accumulated profits/(losses) and appropriations if any.

24.7 Share options outstanding account

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	47.97	40.50
Add: During the Period	14.11	22.79
Less: Transfer on allotment of shares to employees pursuant to ESOP scheme	(19.83)	(15.29)
Less: Transfer to general reserve	(2.12)	(0.03)
Balance as at the end of the year	40.13	47.97

Nature and purpose of reserve: Share options outstanding account is created as required by Ind AS 102 'Share Based Payments' on the Employee Stock Option Scheme operated by the Company for employees.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

24.8 Cash flow hedge reserve

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	-	-
Add: During the period	(0.46)	-
Add: Deferred tax adjustment	0.12	-
Balance as at the end of the year	(0.34)	-

Nature and purpose of reserve: The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognized in the cash flow hedge reserve is reclassified to profit or loss when the hedged item affects profit or loss.

24.9 Shares application money pending allotment

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	-	2.92
Add: Shares application money pending allotment pursuant to ESOP	-	-
Less: Shares allotment pursuant to scheme of amalgamation	-	(2.92)
Balance as at the end of the year	-	0.00

Nature and purpose of reserve: This represents shares pending allotment pursuant to ESOP scheme.

24.10 Equity investment through OCI

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at the beginning of the year	12.32	7.29
Add: Fair valuation through OCI*	1.21	6.72
Add: Deferred tax adjustment	(0.30)	(1.69)
Balance as at the end of the year	13.23	12.32

Nature and purpose of reserve: The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

*Basis external valuation done during the period ended March 2023

25 INTEREST INCOME

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on loans	6,050.17	4,821.20
Interest Income from Investment	102.41	43.52
Interest on deposits with banks	0.39	1.31
Total	6,152.97	4,866.03

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

26 FEES AND COMMISSION INCOME

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interchange income	3,557.79	2,557.89
Fee based income	2,075.84	1,870.51
Membership fees	970.52	798.16
Total	6,604.15	5,226.56

27 NET GAIN / (LOSS) ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net gain/loss on financial instruments at fair value through profit or loss		
(i) On trading portfolio	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	(0.10)
Total	-	(0.10)
Fair value changes:		
-Realised	-	(0.10)
-Unrealised	-	-
Total	-	(0.10)

28 OTHER INCOME

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Bad debts recovered	584.96	503.05
Profit on sale of property, plant & equipment	0.17	-
Net gain on foreign currency transactions	9.04	3.01
Profit on sale of Investment	0.48	0.40
Reversal of Impairment loss	-	108.41
Liabilities/Provisions written back	0.09	0.75
Interest Income - Income Tax and GST Tax Refund	3.27	1.22
Miscellaneous income	21.02	7.41
Total	619.03	624.25

29 FINANCE COSTS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) At Amortised cost		
Interest on borrowings	1,036.27	510.09
Interest on debt securities	473.60	386.47
Interest on subordinated liabilities	107.14	106.90
Interest expense on lease liability	26.85	22.87
Total (A)	1,643.86	1,026.33
(B) Financial instruments designated as hedging instruments		
Cost of Hedging	3.77	0.99
Total (B)	3.77	0.99
Total (A+B)	1,647.63	1,027.32

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

30 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
On loans	2,155.36	2,255.01
On Others		
- financial assets	3.69	0.83
Total	2,159.05	2,255.84

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Bad debt written-off	1,888.85	2,811.26
Impairment loss for other Financial assets	3.69	0.83
Impairment loss for loans [Stage 1,2 and 3 assets]	266.51	(556.25)
Total	2,159.05	2,255.84

31 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	494.61	413.06
Contribution to provident fund and other funds	29.66	27.96
Share based payments to employees	14.11	22.79
Staff welfare expenses	23.51	8.90
Total	561.89	472.71

32 DEPRECIATION, AMORTISATION AND IMPAIRMENT

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment	19.02	27.33
Amortisation on intangible assets	57.91	56.98
Depreciation on right to use assets	86.88	64.25
Total	163.81	148.56

33 OPERATING AND OTHER EXPENSES

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of plastic cards & embossing	46.66	44.91
Short-term lease expense	34.91	39.27
Variable lease expenses	164.28	134.83
Travelling and conveyance	18.12	7.88
Telephone, fax and postage	61.50	54.78
Card transaction charges	636.41	476.02
Advertisement	135.85	122.58
Director's fees, allowances and expenses	1.18	1.17
Sales Promotion	2,183.20	1,728.22
Insurance expense	17.66	16.21
Professional & Consulting fees	211.13	159.79

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates and taxes	55.07	39.25
Collection charges	272.34	271.74
Repairs and maintenance	25.01	25.27
Auditor's remuneration (refer note 39)	0.60	0.48
Power and fuel	4.41	5.26
Printing, stationery and office supplies	56.16	22.06
Royalty Expenses	45.17	32.32
Reward points redemption	901.94	622.63
Surcharge Waiver to Customer	73.43	53.31
Corporate social responsibility expenditure*	37.98	37.55
Data processing charges	366.85	302.72
Loss on sale of property, plant & equipment	-	0.63
Other expenses	1.36	1.61
Total	5,351.22	4,200.49

* Corporate social responsibility expenditure

Pursuant to section 135 of the Companies Act, 2013 the Company is required to spend ₹ 37.98 Crore during the Financial Year 2022-23 calculated as per Section 198 of the Companies Act 2013.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
CSR Expenses	37.98	37.55
Total	37.98	37.55

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) amount required to be spent by the company during the year,	37.98	37.55
(b) amount of expenditure incurred, * [Refer below details]	37.98	37.55
(c) shortfall at the end of the year,	NIL	NIL
(d) total of previous years shortfall,	NIL	NIL
(e) reason for shortfall,	NA	NA
(f) nature of CSR activities,	Disaster relief, Skill development, Education, healthcare, Environment	Disaster relief, Skill development, Education, healthcare, Environment
(g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NIL	NIL
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	NIL	0.10

* Details of expenditure

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amount disbursed and utilized (including administrative and impact assessment)	34.56	37.21
Amount spent over and above disbursed amount - deposited to unspent account	NIL	0.10
Amount disbursed but unutilized - deposited to unspent account	NIL	0.05
Amount neither disbursed nor utilized - deposited to unspent account	3.42	0.20
Total	37.98	37.55

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

34 TAX EXPENSE

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
In respect of the current period	803.20	399.92
In respect of prior year	(3.91)	(17.04)
	799.29	382.88
Deferred tax		
In respect of the current period	(31.05)	156.10
In respect of prior year	3.86	17.04
Total income tax expense recognised in the current period	(27.19)	173.14

The income tax expense for the period can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax from continuing operations	3,030.57	2,172.16
Income tax expense calculated at 25.168%	762.73	546.69
Corporate social responsibility / Others	9.41	9.33
Total	772.14	556.02
Adjustments recognised in the current year in relation to the current tax / deferred tax of prior years	(0.05)	0.00
Income tax expense recognised in profit or loss	772.10	556.02

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	-	-
Total current tax recognised in other comprehensive income	-	-
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	-	-
Items that may be reclassified to profit or loss	-	-
Total	-	-
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	1.15	(1.73)
Gain/(loss) on Investment in Equity	(0.30)	(1.69)
Remeasurement of fair value of derivative	0.12	-
Total deferred tax recognised in other comprehensive income	0.96	(3.42)
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to profit or loss	0.84	(3.42)
Items that may be reclassified to profit or loss	0.12	-
Total	0.96	(3.42)

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

35 EARNING /(LOSS) PER EQUITY SHARE

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a Net Profit After Tax	2,258.47	1,616.14
b Weighted average of number of equity shares used in computing basic per share (in Crores)	94.43	94.19
c Effect of dilution: Employee stock options (in Crores)	0.47	0.74
d Weighted average of number of equity shares used in computing diluted earnings per share (in Crores) (b+c)	94.90	94.93
e Basic earning per share (a/b)	23.92	17.16
f Diluted earning per share (a/d)	23.80	17.02

36 REVENUE FROM CONTRACTS WITH CUSTOMERS IN LINE WITH IND AS 115.

The Company derives revenue from a variety of services contracts with customers which are governed by Ind AS 115 such as interchange income, membership fee, business development incentive income and other fees such as ATM fees, late payment etc. Below table shows the revenue from contracts with customers.

Revenue from Services	For the year ended March 31, 2023	For the year ended March 31, 2022
Fees and commission income	6,604.15	5,226.56
Sale of services	165.77	132.19
Business development incentive income	740.30	447.61
Insurance commission income	3.45	4.88
Total Revenue	7,513.67	5,811.24

The Company's accounting policies for its revenue streams are disclosed in detail under Note 4 above and is generated in India. For Critical accounting estimates, refer note 4.16 to the financial statements.

Disaggregation of Revenue

Disaggregation of revenue is not required as the Company's primary business is to provide credit card facility and interest on loans which is governed by Ind AS 109.

Transaction price allocated to the remaining performance obligations

The Company applies practical expedient in Ind AS 115 and does not disclose information about remaining performance obligations wherein the Company has a right to consideration from customer in an amount that directly corresponds with the value to the customer of entity's performance till date.

The Company's remaining performance periods for its incentive arrangements with network partners contracts with customers for its payment network services are typically long-term in nature (typically ranging from 3-5 years). Consideration is variable based upon the number of transactions processed and volume activity on the cards. At March 31, 2023, the estimated aggregate consideration allocated to unsatisfied performance obligations for these other value-added services is ₹ 334.44 Crores which is expected to be recognised through financial year 2023 and later, (previous period was ₹ 118.26 Crores.)

Receivables from contracts with customers and contract balances

The following table provides information about receivables, contract assets, contract cost and contract liabilities from contract with customers

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Contract assets are presented net of impairment in Note 10 of the Balance sheet.

The below table discloses balances in receivables and unbilled receivables.

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivable *	142.16	168.47
Contract asset **	388.12	187.89
Total-Gross	530.28	356.36
To be realised within 12 months from reporting date	195.84	238.10
To be realised after 12 months from reporting date	334.44	118.26

(*) Refer Note 7 to the financial statement

(**) Refer Note 10 to the financial statement

The Company might satisfy a performance obligation before it receives the consideration in which case the Company recognises a contract asset or receivable, depending on whether something other than the passage of time is required before the consideration is due.

Contract Assets

The contract assets primarily relate to the Company's right to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the right become unconditional. Below table shows the movement.

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	187.89	165.31
Movement during the year	200.23	22.58
Closing balance	388.12	187.89
To be realised within 12 months from reporting date	53.68	69.63
To be realised after 12 months from reporting date	334.44	118.26

Contract costs

The contract cost primarily relates to:

- Incremental costs that are directly linked to obtaining a new contract with a customer and which would not have been incurred if the contract had not been obtained, are recognised in the profit and loss statement over behavioral life of the customer.
- A part of sales promotion expense, fees and commission expense and advertisement expenses which are in the nature of card value proposition offered to customers, commission to partners etc and are directly related to selling card membership to new customers are deferred over the membership period consisting of 12 months.

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	754.72	666.26
Capitalised during the year	1,914.16	1,139.69
Amortised during the year	(1,617.55)	(1,051.23)
Closing balance *	1,051.32	754.72
To be realised within 12 months from reporting date	175.68	135.28
To be realised after 12 months from reporting date	875.63	619.44

* The unamortised contract costs are disclosed in Note 14 to financial statements.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Contract liabilities - Revenue received in advance

The Company sells credit card memberships to card holders, income earned from the provision of membership services is recognised as revenue over the membership period consisting of 12 months at fair value of the consideration net of expected reversals/ cancellations.

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	441.16	365.84
Received during the year	1,078.81	886.58
Recognised during the year	(988.53)	(811.27)
Closing balance *	531.44	441.16
To be realised within 12 months from reporting date	531.44	441.16
To be realised after 12 months from reporting date	-	-

* Contract liabilities are disclosed in note 22 to financial statements

37 CAPITAL MANAGEMENT

Capital risk is the risk that the Company has insufficient capital resources to meet the minimum regulatory requirements to support its credit rating and to support its growth and strategic options. The Company's capital plans are deployed with the objective of maintaining capital that is adequate in quantity and quality to support the Company's risk profile, regulatory and business needs. Management/Asset Liability Management Committee [ALCO] is responsible for ensuring the effective management of capital risk. Capital risk is measured and monitored using limits set out in in relation to the capital and leverage, all of which are calculated in accordance with relevant regulatory requirements.

(A) Regulated capital:

Tier 1 capital consists of Equity share capital, Reserve & Surplus (netted off Intangibles).

Tier 2 capital consists of Provision for Standard Assets & Subordinated debts as per RBI Prudential norms for NBFCs.

Details of Tier 1 capital are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Tier I Capital	8,395.40	6,633.56

Details of Tier 2 capital are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Tier II Capital	1,115.12	884.38

As contained in RBI Master Directions - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (hereinafter referred to as "RBI Master Directions"), the Company is required to maintain a capital ratio consisting of Tier I and Tier II capital not less than 15 % of its aggregate risk weighted assets on-balance sheet and of risk adjusted value of off- balance sheet items. Out of this, Tier I capital shall not be less than 10%. The Board of Director's regularly monitors the maintenance of prescribed levels of Capital Risk Adjusted Ratio (CRAR).

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

(B) Key capital Ratios

Capital Risk Adjusted Ratio (CRAR) maintained and monitored by Company is as under:

Particulars	As at March 31, 2023	As at March 31, 2022
CRAR -Tier I Capital	20.37%	21.03%
CRAR - Tier II Capital	2.71%	2.80%
Total CRAR	23.08%	23.83%

The Company makes all efforts to comply with the above requirements. Further, the Company has complied with all externally imposed capital requirements and internal and external stress testing requirements.

The Board of Directors approved the Dividend distribution policy which is in line with the regulatory requirement and guidelines as prescribed by RBI from time to time. The policy focuses on the internal and external factors (which includes long term growth plan, cash flow position, auditors' qualification, supervisory findings of RBI on divergence in classification and provisioning in Stage 3 assets, prevalent economic conditions and market practices etc) which the Board shall consider before declaring the dividend.

- (C) **Interim dividend on equity shares declared:** During the year ended March 31, 2023, the Board of Directors have declared interim dividend of 25% (₹ 2.50 per equity share of the face value of ₹ 10.00) for the financial year 2022-23 in accordance with Section 123(3) of the Companies Act, 2013, as amended. (March 31, 2022 - ₹ 2.50 per equity share of the face value of ₹ 10.00).

38 FINANCIAL INSTRUMENTS

Financial instruments by category and fair value measurements

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

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Financial assets/ liabilities Designated as hedging Instruments	Total carrying value	Total fair value
		Designated upon initial recognition	Equity instruments designated upon initial recognition			
Assets:						
Cash and cash equivalents (Refer Note 5)	989.79	-	-	-	989.79	989.79
Bank Balance other than Cash and cash equivalents(Refer Note 6)	364.68	-	-	-	364.68	364.68
Trade Receivable (Refer Note 7)	142.16	-	-	-	142.16	142.16
Loans (Refer Note 8)	39,360.98	-	-	-	39,360.98	38,991.39
Investments (Refer Note 9)	2,120.56	-	19.13	-	2,139.69	2,130.60
Other Financial assets (Refer Note 10)						
Contract Asset	388.12	-	-	-	388.12	337.25
Security Deposits	25.47	-	-	-	25.47	19.16
Others	2.90	-	-	-	2.90	2.90
Total	43,394.66	-	19.13	-	43,413.79	42,977.93
Liabilities:						
Derivative Liabilities (Refer Note 15)	-	-	-	1.10	1.10	1.10
Trade payables (Refer Note 16)	1,395.42	-	-	-	1,395.42	1,395.42
Other payables (Refer Note 16)	10.54	-	-	-	10.54	10.54
Debt Securities (Refer Note 17)	6,606.21	-	-	-	6,606.21	6,488.61
Borrowings (Other than Debt Securities (Refer Note 18)	23,142.86	-	-	-	23,142.86	20,401.24

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Financial assets/ liabilities Designated as hedging Instruments	Total carrying value	Total fair value
		Designated upon initial recognition	Equity instruments designated upon initial recognition			
Subordinated Liabilities (Refer Note 19)	1,360.54	-	-	-	1,360.54	1,390.04
Other financial liabilities (Refer Note 20)						
Payable to Network Partners	700.14	-	-	-	700.14	700.14
Excess amount from Card holders	312.08	-	-	-	312.08	312.08
Unpaid dividends	216.01	-	-	-	216.01	216.01
Lease liabilities	421.47	-	-	-	421.47	421.47
Others	34.64	-	-	-	34.64	34.64
Total	34,199.91	-	-	1.10	34,201.01	31,371.29

The carrying value and fair value of financial instruments by categories as of March 31, 2022, were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Financial assets/ liabilities Designated as hedging Instruments	Total carrying value	Total fair value
		Designated upon initial recognition	Equity instruments designated upon initial recognition			
Assets:						
Cash and cash equivalents (Refer Note 5)	758.16	-	-	-	758.16	758.16
Bank Balance other than Cash and cash equivalents(Refer Note 6)	348.23	-	-	-	348.23	348.23
Trade Receivable (Refer Note 7)	168.47	-	-	-	168.47	168.47
Loans (Refer Note 8)	30,187.25	-	-	-	30,187.25	29,893.00
Investments (Refer Note 9)	1,279.27	-	17.92	-	1,297.19	1,291.45
Other financial liabilities (Refer Note 20)						
Contract Asset	187.89	-	-	-	187.89	172.54
Security Deposits	24.87	-	-	-	24.87	20.32
Others	0.56	-	-	-	0.56	0.56
Total	32,954.70	-	17.92	-	32,972.62	32,652.73
Liabilities:						
Trade payables (Refer Note 16)	1,116.80	-	-	-	1,116.80	1,116.80
Other payables (Refer Note 16)	10.87	-	-	-	10.87	10.87
Debt Securities (Refer Note 17)	7,106.34	-	-	-	7,106.34	7,120.95
Borrowings (Other than Debt Securities) (Refer Note 18)	14,680.10	-	-	-	14,680.10	14,662.47
Subordinated Liabilities (Refer Note 19)	1,196.02	-	-	-	1,196.02	1,251.26
Other financial liabilities (Refer Note 20)						
Payable to Network Partners	684.54	-	-	-	684.54	684.54
Excess amount from Card holders	355.12	-	-	-	355.12	355.12
Unpaid dividend	213.00	-	-	-	213.00	213.00
Lease liability	302.45	-	-	-	302.45	302.45
Others	17.58	-	-	-	17.58	17.58
Total	25,682.82	-	-	-	25,682.82	25,735.04

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Hierarchy of Fair value measurements

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly;

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

A. The Company's financial assets and liabilities that are measured at fair value on a recurring basis

Financial Asset/ (Financial Liabilities)	Fair value as at		Fair Value Hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2023	As at March 31, 2022		
Foreign currency forward contracts not designated in hedge accounting relationships (Refer foreign currency risk management related disclosures given below)	(1.10)	-	Level 2	Future cash flows are estimated based on forward exchange rates from observable forward exchange rate at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties
Investments in equity instruments at FVTOCI*	19.13 3.2% equity investment in Online PSB Loans Ltd (formerly known as Capitaworld platform Private Limited). Company is a fintech startup engaged in the business of providing Smart & Digital lending platform and market place	17.92 3.2% equity investment in Online PSB Loans Ltd (formerly known as Capitaworld platform Private Limited). Company is a fintech startup engaged in the business of providing Smart & Digital lending platform and market place	Level 3	Equity valuation is updated as per latest valuation report. The Company has evaluated and has not observed any material variation in business performance till date.

*These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose. Upon the application of Ind AS 109, the Company has chosen to designate these investments in equity instruments as at FVTOCI, instead of reflecting changes in fair value immediately in profit or loss.

B. The Company's financial assets and liabilities that are not measured at fair value:

The Company's financial assets and liabilities that are not measured at fair value as on March 31, 2023 are:

Particulars	Carrying value	Fair value	Fair value measurement at end of the reporting period/year using		
			Level 1	Level 2	Level 3
Assets:					
Loans	39,360.98	38,991.39	-	-	38,991.39
Investment	2,120.56	2,111.47	2,111.47	-	0.00
Other Financial assets					
Contract Asset	388.12	337.25	-	-	337.25
Security Deposits	25.47	19.16	-	-	19.16
Total	41,895.12	41,459.27	2,111.47	-	39,347.80
Liabilities:					
Debt Securities	6,606.21	6,488.61	4,837.40	-	1,651.21
Borrowings (Other than Debt Securities)	23,142.86	20,401.24	-	-	20,401.24
Subordinated Liabilities	1,360.54	1,390.04	629.49	-	760.55
Total	31,109.61	28,279.89	5,466.89	-	22,813.00

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

The Company's financial assets and liabilities that are not measured at fair value as on March 31, 2022 are:

Particulars	Carrying value	Fair value	Fair value measurement at end of the reporting period/year using		
			Level 1	Level 2	Level 3
Assets:					
Loans	30,187.25	29,893.00	-	-	29,893.00
Investment	1,279.27	1,273.53	1,273.53	-	-
Other Financial assets					
Contract Asset	187.89	172.54	-	-	172.54
Security Deposits	24.87	20.32	-	-	20.32
Total	31,679.28	31,359.39	1,273.53	-	30,085.86
Liabilities:					
Debt Securities	7,106.34	7,120.95	4,819.61	-	2,301.34
Borrowings (Other than Debt Securities)	14,680.10	14,662.47	-	-	14,662.47
Subordinated Liabilities	1,196.02	1,251.26	387.83	-	863.44
Total	22,982.46	23,034.68	5,207.43	-	17,827.25

Except as detailed in the table above, the management consider that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

C. Reconciliation of Level 3 fair value measurements

Particulars	Unlisted shares irrevocably as at FVTOCI as at March 31, 2023	Unlisted shares irrevocably as at FVTOCI as at March 31, 2022
Opening balance	17.92	11.20
Total gains or losses:		
in profit or loss	-	-
in other comprehensive income	1.21	6.72
Purchases/Issues/Acquisition	-	-
Disposals/ settlements	-	-
Transfers out of level 3	-	-
Total	19.13	17.92

38.1 Financial risk management

Financial risk factors

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

- Market risk;
- Credit risk; and
- Liquidity risk;

The Company's Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Risk Management Committee manages the risk management framework and appetite. The Board of Directors has established the Enterprise Risk Management Committee (ERMC) which is responsible for approving and monitoring Company's risk management framework. The risk management policies, processes and tools are reviewed regularly to reflect changes in market conditions and the Company's activities.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

38.1.1 Market risk

Market risk is the risk of loss of future earnings, to fair values or to future cash flows that may result from a change in variables such as changes in the interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments.

The Company uses a wide range of qualitative and quantitative tools to manage and monitor various types of market risks it is exposed to. Quantitative analysis such as net income sensitivities, stress tests etc. are used to monitor and manage company's market risk appetite.

A. Interest risk

Interest rate risk is the risk of loss from fluctuations in the future cash flows or fair value of financial instruments because of changes in market interest rates.

Company's investments are categorized under HTM (Held to Maturity) category. Investments are done in Government securities (T-Bill/ G Sec) only, hence there is no credit risk involved. To monitor the interest rate risk, Treasury function monitors the modified duration of these investments on monthly basis and report the same to Enterprise Risk Management Committee through KRI reporting. Further, Company has fixed as well as floating rate borrowings to which it is exposed to interest rate risk as well as repricing risk at the time of re-borrowing.

The below table shows the interest rate sensitivity for a period up to one year:

Description	As at March 31, 2023	As at March 31, 2022
Assets	35,885.09	9,048.25
Liabilities	25,554.60	17,127.50
Variation	10,330.49	(8,079.25)

Interest rate sensitivity analysis

The below table presents the impact on Profit / (Loss) before tax for increase or decrease in interest rate under below stated scenarios on Company's interest rates liabilities and assets (upto twelve months) which are open to repricing risk (assuming all other variables are held constant):

Description	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
50 bps Impact on Profit on variation shown above	(22.12)	22.12	(40.40)	40.40
100 bps Impact on Profit on variation shown above	(44.24)	44.24	(80.79)	80.79
200 bps Impact on Profit on variation shown above	(88.48)	88.48	(161.59)	161.59

The above sensitivity analysis is prepared assuming the amount outstanding at the end of the reporting period was outstanding for the whole year. A 50-basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

The above sensitivity was for the entire assets and liabilities. Modified duration of Investments done in Government securities is as follows:

Description	As at March 31, 2023	As at March 31, 2022
Investments- Modified duration	2.37	0.92

Modified duration of the bond shows sensitivity of price movement of bond with respect to interest rate movement. Modified Duration= Duration / (1+Yield to Maturity/number of discounting periods). Modified duration is the direct indication of a percentage change in bond price for a unit change in the interest rates.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

B. Foreign currency risk

Foreign Currency risk is the risk that the fair value or future cash flows of a financial instrument, denominated in currency other than functional currency, will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on its borrowings, business development income and vendor payments denominated in foreign currency. Company has Board approved Foreign Exchange Risk Management Policy in place for monitoring the currency exchange risk.

The carrying amount of company's foreign currency asset and liability during Financial year 2022-23:

Particulars	Liabilities				Assets			
	As at March 31, 2023	As at December 31, 2022	As at September 30, 2022	As at June 30, 2022	As at March 31, 2023	As at December 31, 2022	As at September 30, 2022	As at June 30, 2022
Hedged Positions	404.98	407.79	-	-	-	-	-	-
Unhedged Positions	141.61	115.96	112.27	103.28	110.37	128.12	98.78	110.67
Total	546.59	523.75	112.27	103.28	110.37	128.12	98.78	110.67

The carrying amount of company's foreign currency asset and liability during Financial year 2021-22:

Particulars	Liabilities				Assets			
	As at March 31, 2022	As at December 31, 2021	As at September 30, 2021	As at June 30, 2021	As at March 31, 2022	As at December 31, 2021	As at September 30, 2021	As at June 30, 2021
Hedged Positions	-	-	-	901.26	-	-	37.13	37.18
Unhedged Positions	82.57	76.19	70.42	61.35	75.52	40.47	45.63	50.33
Total	82.57	76.19	70.42	962.60	75.52	40.47	82.76	87.50

Foreign currency sensitivity analysis:

The below table presents the impact on the statement of profit or loss [Gain / (Loss)] before tax for change in foreign currency exchange rate against INR during financial year 2022-23

Foreign currency sensitivity analysis Impact (Net basis)	As at March 31, 2023		As at December 31, 2022		As at September 30, 2022		As at June 30, 2022	
Change in exchange rate by	5%	10%	5%	10%	5%	10%	5%	10%
Currency depreciating by	(1.56)	(3.12)	0.61	1.22	(0.67)	(1.35)	0.37	0.74
Currency appreciating by	1.56	3.12	(0.61)	(1.22)	0.67	1.35	(0.37)	(0.74)

The below table presents the impact on the statement of profit or loss [Gain / (Loss)] before tax for change in foreign currency exchange rate against INR during financial year 2021-22

Foreign currency sensitivity analysis Impact (Net basis)	As at March 31, 2022		As at December 31, 2021		As at September 30, 2021		As at June 30, 2021	
Change in exchange rate by	5%	10%	5%	10%	5%	10%	5%	10%
Currency depreciating by	(0.35)	(0.70)	(1.79)	(3.57)	(1.24)	(2.48)	(0.55)	(1.10)
Currency appreciating by	0.35	0.70	1.79	3.57	1.24	2.48	0.55	1.10

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Foreign currency risk monitoring and management

The Company's currency risk management policy lays down the appropriate systems and controls to identify, measure and monitors, the currency risk for reporting to the management. Parameters like hedging ratio, un- hedged exposure, exposure limit with banks etc. are continuously monitored as a part of currency risk management. Exchange rate exposures are managed within approved parameters using forward foreign exchange contracts. Foreign currency exposure under borrowings is fully hedged at the time of taking the loan itself.

Derivative financial instruments

The Company enters into derivative financial instruments such as foreign currency forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is a bank.

Contracts included in hedge relationship

Cash flow hedging (Spot rate)	Action	Currency	Amount (In Crores)	Exchange rate	As at March 31, 2023	As at March 31, 2022
Financial Liability (< 6 Months)- Borrowings	Buy	USD	\$4.93	82.22	404.98	-

During the year, Company has designated certain foreign exchange forward contracts as cash flow hedges the movement in spot rates to mitigate the risk of foreign exchange exposure on underlying foreign currency exposures. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items. If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting and any hedge ineffectiveness is calculated and accounted for in the statement of profit or loss at the time of the hedge relationship rebalancing.

The following table provides the reconciliation of cash flow hedge reserve for the year ended March 31, 2023 and March 31, 2022.

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	-	-
Gain/(loss) recognised in other comprehensive income during the year	(0.46)	-
Amount reclassified to profit or loss during the year	-	-
Tax impact on above	0.12	-
Balance at the end of the year	(0.34)	-

Contracts not designated under hedge relationship

NIL for the year ended March 31, 2023 and March 31, 2022

Unhedged Position of the Company is as follows:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Currency (In Crores)	Amount	Currency (In Crores)	Amount
Financial Liability	\$1.72	141.61	\$1.09	82.57
Financial Asset	\$1.34	110.37	\$1.00	75.52

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

38.1.2. Credit Risk

Credit risk is the risk of financial loss arising out of customer's failing to meet their contractual obligations to the Company.

The Company has a board approved Credit Risk policy. The Chief Risk Officer (CRO) owns the policy.

Credit risk arises mainly from loans and advances to retail and corporate customers arising on account of facilitating credit card loans to customers. The Company also has exposure to credit risk arising from other financial assets such as cash and cash equivalents, other financial assets including fixed deposits with banks, other receivables from contracts with customers and contract assets etc.

Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. "

A. Credit risk management approach

Managing credit risk is the most important part of total risk management exercise. The CRO of the Company is responsible for the key policies and processes for managing credit risk, which include formulating credit policies and risk rating frameworks, guiding the Company's appetite for credit risk exposures, undertaking independent reviews and objective assessment of credit risk, monitoring performance and management of portfolios. The principal objectives being maintaining a strong culture of responsible lending across the Company and robust risk policies and control frameworks, implementing and continually re-evaluating our risk appetite and ensuring there is adequate monitoring of credit risks, their costs and their mitigation.

The basic credit risk management would cover two key areas, viz., (a) customer selection & (b) customer management. These are governed by Board Approved Credit Policy and Collections Policy which is reviewed on a regular basis."

(a) Customer Selection

Key criterion for customer selection is in accordance with Board Approved Credit Policy, which defines, inter alia, type of customers, category, market segment, income criterion, KYC requirement, documentation etc. The Policy also spells out details of credit appraisal process, delegation structure. The customer selection process aims to ensure quality portfolio and lower delinquency.

(I) Retail Customer Selection process

All the fulfilled approved applications undergo a number of checks which include

- internal deduplication checks,
- fraud deduplication check
- scrutiny of KYC and income documents
- Sophisticated Machine Learning (ML) application models
- Bureau checks etc

For Credit limit is assigned basis ML models to estimate the debt and income of a customer

(II) Unsecured Corporate customer selection process

- For all unsecured corporate card exposures, SBI Cards conducts a detailed subjective assessment based on information taken from the corporate, bureau reports, third party credit assessment agencies like rating agencies and any publicly available information.
- To accurately assess the credit profile of a corporate, SBI Cards assesses the detailed financials, stock price performance (if listed) trends over the recent past. The critical parameters are collated as a credit proposal and approval is done by the credit committee.
- In general, we evaluate the business risks associated with the corporate and its industry, its financial profile, liquidity situation and financial flexibility. A peer comparison is also made between the corporate and other reputed companies from the same industry.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

(III) Secured Corporate customer selection process

SBI Cards allows exposure to corporates against liquid securities (e.g. Fixed Deposit & Bank Guarantee). For all secured corporate card exposures, SBI Cards checks the bureau reports and a slightly shorter proposal is put before the approving authority (as per the delegation authority approved by the Board of Directors). The security is validated before any cards are issued.

(b) Customer Management

Customer management relates to credit controls once a card is issued, broadly consisting of:

i. Portfolio Monitoring

We perform continuous monitoring of the portfolio leveraging various capabilities including ML based behavior scores, bureau refresh, bureau alerts, payment behavior, transaction trends, and periodic update on income estimation

ii. Portfolio management

Portfolio management activities enable us to grow lower risk exposures while restricting high risk. We have robust capabilities around dynamic limit management, cross-sell of term loans, balance transfers. Account management capabilities including a robust blocking strategy, reinstatements, dispute management, and overlimit strategies

iii. Fraud control

Continuous monitoring of transactions and a risk-based approach is leveraged to identify instances of fraud like account takeover, unauthorized access. ML models are leveraged to identify potential frauds and proactively protect against the same

iv. Collection strategy

Customers who fail to pay their dues by the stipulated payment due dates, at various stages of delinquency come under the purview of collection and recovery strategies. The company has developed ML models to prioritize collection efforts and also guide the intensity of efforts across delinquency buckets. Hardship tools are leveraged to help resolve cases including settlements and restructuring. Post write-off, ML based segmentation is leveraged to prioritize efforts. For secured cards, liens on FDs / BGs are invoked "

B. Credit risk analysis

This section analyses Company's credit risk split as follows;

- (a) **Exposure to credit risk** - Analysis of overall exposure to credit risk before and after credit risk mitigation.
- (b) **Credit quality analysis** - Analysis of overall loan portfolio by credit quality.
- (c) **Impairment** - Analysis of non-performing / impaired loans.
- (d) **Credit risk mitigation** - Analysis of collaterals held by client segment and collateral type.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

(a) Exposure to credit risk

Maximum exposure to credit risk is given below:

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and bank balances	1,354.47	1,106.39
Trade Receivables	142.16	168.47
Loans	39,360.98	30,187.25
Investment	2,139.69	1,297.19
Other Financial Assets	416.49	213.32
Total	43,413.79	32,972.62

Loans to customer includes loans secured by lien on Fixed deposits and Bank Guarantee held with third party banks. Secured loans account for 0.72% as at March 31, 2023, (1.13% as at March 31, 2022) of total loans.

Notes:

- Loans to customers which accounts for 90.7% of total exposure to credit risk, as at March 31, 2023, is segregated based on risk characteristics of the population to manage credit quality and measure impairment.
- Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.
- Investments in Government Securities are measured at amortized cost and Investments in unquoted instruments are valued at Fair value as on balance sheet date and effect has been routed through Other Comprehensive Income to be in line with Ind AS guideline.
- Derivative instruments taken by the Company are from the same party (Parent company) from whom the Company has taken the underlying loan. Hence, default risk from counterparty is also being a financial institution with high credit rating is limited.
- Company follows simplified approach for recognition of impairment loss allowance on trade receivables/other financial assets wherein Company uses a provision matrix to determine the impairment loss allowance on the portfolio of receivables.

Credit concentration risk

Credit concentration risk may arise from a single large exposure to a counterparty Credit concentration risk may arise from a single large exposure to a counterparty or a group of connected counterparties, or from multiple exposures across the portfolio that are closely correlated.

Large exposure concentration risk is managed through concentration limits set by a counterparty or a group of connected counterparties based on control and economic dependence criteria

For concentrations that are material at a Company level, breaches and potential breaches are monitored by the respective governance committees and reported to the Risk Committee and CRO."

The Company follows the prescribed Regulatory Prudential Norms:

- Single Borrower Exposure limit - 25% of Tier I Capital of SBI Cards & Payment Services Ltd.
- Group Borrower Exposure limit - 40% of Tier I Capital of SBI Cards & Payment Services Ltd

In addition, there is also an internal capping on the single borrower exposure at ₹ 200 Cr.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Single Borrower and Group Borrower exposure as on:

Particulars	Single Borrower exposure	Group Borrower exposure
March 31, 2023	1.07%	1.48%
March 31, 2022	1.36%	2.22%

The following tables gives credit risk / exposure concentration by client segment

Concentration by client portfolio segment

The following table sets out an analysis of risk concentration of loans to customers split by client segment

Portfolio segment	As at March 31, 2023	As at March 31, 2022
Corporate - Secured	8.80	40.60
Corporate - Unsecured	89.19	59.26
Retail - Secured	274.66	299.70
Retail - Unsecured	40,348.98	30,881.81
Total	40,721.62	31,281.37

(b) Credit quality analysis

Credit grading

The Company classifies credit exposure basis risk characteristics into high/medium/low risk. The Company has in place a credit risk grading model (Internal rating model) which is supplemented by external data such as credit bureau scoring information, financials statements and payment history that reflects its estimates of probabilities of defaults of individual counterparties and it applies blocks(soft/hard) on accounts based on activity pattern of the borrower. A breakdown of loans by credit quality is given below.

By Portfolio Segment

Credit risk classification/ Staging	As at March 31, 2023	As at March 31, 2022
Strong - Low risk (Stage 1)	37,546.64	27,931.49
Satisfactory- Medium risk (Stage 2)	2,217.45	2,656.46
High Risk (Stage 3)	957.53	693.42
Total	40,721.62	31,281.37

Impact of year on year increase is on account of portfolio growth.

Approach followed:

Stage 1	Includes borrowers that have not had a significant increase in credit risk (SICR) since initial recognition or have low credit risk at the reporting date. 12-month expected credit losses ('ECL') are recognized.
Stage 2	Includes borrowers that had a significant increase in credit risk since initial recognition but that does not have objective evidence of impairment. Lifetime ECL is calculated for such borrowers. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the card.
Stage 3	Includes borrowers that have objective evidence of impairment at the reporting date. Lifetime ECL is calculated for such borrowers.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Credit quality by client segment

An overall breakdown of loan portfolio by client segment is provided below differentiating between performing and non-performing loan book,

The Company segregates its credit risk exposure from loans & advances to customers as Stage 1 (Good), Stage 2 (Increased credit risk), Stage 3 (Impaired loans). The staging is done based on criteria specified in Ind AS 109 and other qualitative factors.

(c) Impairment

Collective measurement model (Retail and Corporate)

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with the change in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to likelihood of defaults occurring, of the associated loss ratios, collaterals and coverage ratio etc.

The Company measures credit risk using Probability of Default (PD), Exposure of Default (EAD), Loss Given Default (LGD). Ind-AS 109 outlines a three staged model for measurement of impairment based on changes in credit risk since initial recognition.

- A financial instrument that is not credit impaired on initial recognition is classified in 'Stage 1',
- If a significant increase in credit risk (SICR) is identified the financial instrument moves to 'Stage 2',
- If the financial instrument is credit-impaired, the financial instrument moves to 'Stage 3' category.

The Company uses multiple economic factors to measure the ECL on a forward looking basis.

Some of these factors include GDP growth rate, bank credit to specific sectors, wholesale price index (WPI), consumer price index (CPI), currency circulation. Correlations have been tested with past NPA trends.

Factors where management views the correlations to be acceptable are then used to assess the extent of impact on the portfolio. The RBI Financial Stability Report (FSR) is used as an indicator of future economic scenario. The impact of these scenarios is then transmitted back into our ECL model basis the factors with acceptable correlations which enables the Company to ensure that adverse future economic conditions are covered in the ECL.

The Company defines default or significant increase in credit risk (SICR) based on the following quantitative and qualitative criteria.

Definition of Default

Quantitative criteria

The borrower is more than 90 days past due on its contractual payments.

Qualitative criteria

The borrower meets unlikeliness to pay criteria, which indicates that the borrower is in significant difficulty wherein a 'hard block' is applied on accounts and is blocked for further activity on meeting the following criteria;

- Arrangement to Pay
- Settlement
- Cardholder is deceased
- Restructured

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Further, for any borrower to be upgraded from Stage 3, the entire overdue balance on all accounts, must be cleared.

Definition of Significant increase in credit risk (SICR)

Quantitative criteria

The borrower is 30-90 past due on its contractual payments.

Qualitative criteria

When borrowers are classified as "high risk" or when the account is tagged as "over-limit" i.e. when borrowers are expected to/approach their credit limit it is considered as indicator of increased credit risk.

The default definition has been applied consistently to model the PD, LGD and EAD for measurement of ECL.

Measuring ECL- Explanation of inputs, assumptions and estimation techniques

ECL is measured on either a 12 month or lifetime basis depending on whether there is an increase in SICR since initial recognition. ECL is the discounted product of PD, LGD and EAD.

Estimation for retail accounts

PD

Month on month (MOM) default rates were calculated for all vintages.

Post calculating MOM default rates, cumulative yearly PDs being calculated till lifetime.

- For Stage 1 accounts 1- year marginal PD were calculated.
- For Stage 2 accounts - Lifetime PDs were calculated
- For Stage 3 accounts a 100% PD was taken

The Company segments the entire portfolio into Retail Unsecured, Retail Secured, Corporate Unsecured and Corporate Secured, in line with the standard keeping each segment homogenous at the time of on-boarding. The Retail Unsecured segment PDs are further derived by evaluating the PDs at a sub-segment level basis credit history i.e. New to Credit (NTC), New to Credit Card (NTCC) and Carded. These sub-segmented PDs are then rolled up to arrive at the overall retail unsecured PD

LGD

All discounted recoveries net of collection costs is calculated segment wise against exposures to arrive at loss estimates. Discount rate being considered is the average yield rate across segments. LGD is floored at 0% and capped at 100%

EAD

Segment wise EAD is calculated using the below formula:

$EAD = \text{Balance Outstanding} + CCF * (\text{Credit Limit} - \text{Balance Outstanding})$, where CCF is proportion of unutilized credit limit which is expected to be utilized till the time of default. CCF is applicable only for stage 1 accounts, as stage 2 and stage 3 accounts cannot utilize the unused credit limit. $CCF \% = \text{Utilisation (t+12)} - \text{Utilisation (t)}$ i.e. change of utilization rates over next 1 year, its being floored at 0%.

The Company recalibrates the components of ECL model at regular intervals using,

1. Available incremental and recent information
2. Assessing changes to its statistical techniques for estimation.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

However, data of COVID impact, where resolution plan was implemented in line with RBI's Resolution Framework for COVID-19-related Stress, is not consumed in the ECL model since, this scheme introduced a distortion in customer behavior. Such pool was largely provided using management overlays.

Segment wise PD and LGD as at March 31, 2023 rates arrived at for all stages is given below

Portfolio Segment	PD			LGD		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Corporate - Unsecured	1.62%	0.01%	0.00%	66.64%	66.64%	66.64%
Retail - Secured	2.78%	5.50%	100.00%	26.74%	26.74%	26.74%
Retail - Unsecured	2.64%	7.14%	100.00%	63.85%	63.85%	63.85%

The Company revisits the inputs, assumptions used in measurement of ECL whenever there is a significant change, at least every quarter.

• Individual Measurement (Corporate)

The Company's credit risk function segregates loans with specific risk characteristics based on trigger events identified using sufficient and credible information available from internal sources supplemented by external data.

Specific reserve may be created in following scenarios: -

- Rating of the corporate is downgraded significantly.
- Public news of default or fraud by the corporate or any group company with any lender.
- Adverse reporting in bureau with respect to the corporate or promoters (overdues with other lenders)
- Adverse public information on corporate or associated group.
- Significant Overdues of the corporate or group companies with SBI Card or SBI.
- If corporate exposure is backed by security, and there is a deterioration in the value of the underlying security.

Impairment allowance for these exposures are reviewed and accounted on a case by case basis. Below table states different scenarios and effect of the same on point in time provision.

Classification	Trigger's Point	Provision
Stage 2	Rating of the corporate downgraded by 2 notches but still investment grade or, Early warning triggers or, Overdue amount reported in bureau > ₹ 50K (but not NPA or 90+)	1. PD determination basis external rating 2. LGD will be as applicable for the quarter 3. EAD will be point in time outstanding of the corporate
Stage 3	Rating of the corporate downgraded by 3 notches or current rating falls below investment grade or, NPA with SBI Card, any other group Company > ₹ 1 lakh	1. PD will be 100% 2. LGD will be as applicable for the quarter 3. EAD will be point in time outstanding of the corporate
Stage 3	Rating of corporate downgraded to C/D category or, Public news of default or fraud by the corporate	1. Provisioning will be 100% of point in time outstanding of the corporate

The normal ECL model for provisioning will not apply to corporates, where specific reserves are being held.

In the event where above stated conditions show improvement and corporate no longer falls under any of triggers for consistently 3 months, provision is restated basis Collective measurement model.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Below table shows stage wise portfolio gross exposure and loss allowance on Loans

Portfolio Segment	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	8.63	0.17	-	40.55	0.05	-
Corporate - Unsecured	89.19	0.00	-	59.11	0.15	-
Retail - Secured	267.02	6.55	1.08	291.37	6.47	1.86
Retail - Unsecured	37,181.80	2,210.73	956.45	27,540.46	2,649.79	691.56
Gross Exposure	37,546.64	2,217.45	957.53	27,931.49	2,656.46	693.42
Less : Impairment loss	647.39	104.41	608.83	455.91	185.69	452.52
Carrying Amount	36,899.24	2,113.04	348.70	27,475.58	2,470.77	240.90

Below table shows the breakup of Impairment loss provision

Portfolio Segment	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	-	-	-	-	-	-
Corporate - Unsecured	1.01	-	-	0.50	-	-
Retail - Secured	2.07	0.10	0.29	2.65	0.11	0.51
Retail - Unsecured *	644.32	104.31	608.54	452.76	185.58	452.01
Total Impairment loss	647.39	104.41	608.83	455.91	185.69	452.52

* Impairment loss provision of Stage 1 is calculated as PD * LGD * EAD, where EAD comprises of Balance outstanding + CCF amount. Calculation of ECL for Retail Unsecured is as below:

Category	For the year ended March 31, 2023				For the year ended March 31, 2022			
	Balance Outstanding	CCF Amt	Total EAD	ECL Amount	Balance Outstanding	CCF Amt	Total EAD	ECL Amount
Retail Unsecured	37,181.80	5,218.05	42,399.85	644.32	27,540.46	2,901.31	30,441.77	452.76

CCF amount for other portfolio is NIL for both the years

As of March 31, 2023, there is NIL specific loss provision for Corporate unsecured customers (NIL as of March 31, 2022)

ECL % as per collective measurement model

ECL percentage Segment wise exposure	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	0.00 %	0.00 %	0.00 %	0.00%	0.00%	0.00%
Corporate - Unsecured	1.13%	0.00%	0.00%	0.85%	1.65%	55.85%
Retail - Secured	0.78%	1.54%	26.72%	0.91%	1.64%	27.62%
Retail - Unsecured	1.52%	4.72%	63.62%	1.49%	4.39%	64.82%

ECL % including individual measurement and management overlay*

ECL percentage Segment wise exposure	As at March 31, 2023			As at March 31, 2022		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Corporate - Unsecured	1.13%	0.00%	0.00%	0.85%	1.65%	55.85%
Retail - Secured	0.78%	1.54%	26.72%	0.91%	1.70%	27.42%
Retail - Unsecured	1.73%	4.72%	63.62%	1.64%	7.00%	65.36%

* Management overlay NIL as of March 31, 2023 (₹ 50.56 at March 31, 2022)

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Sensitivity analysis of ECL estimates

The sensitivity analysis of ECL estimates is prepared on upward/ downward changes on existing ECL rate.

The below table presents the impact on Profit / (Loss) before tax for increase or decrease in ECL rate as at March 31, 2023:

Stages	Existing ECL	Upward			Downward		
		50 bps	100 bps	200 bps	50 bps	100 bps	200 bps
Stage 1	647.39	650.63	653.87	660.34	644.16	640.92	634.45
Stage 2	104.41	104.94	105.46	106.50	103.89	103.37	102.33
Stage 3	608.83	611.75	614.79	620.88	605.66	602.62	596.53
Total	1,360.64	1,367.32	1,374.12	1,387.73	1,353.71	1,346.91	1,333.31

Movement of Impairment loss allowance:

Particulars	Stage 1	Stage 2	Stage 3
Impairment loss allowance as at March 31, 2022	455.91	185.69	452.52
Movements during the year			
Addition / Reduction during the year	27.21	(111.53)	1256.57
Provision movement on account of asset sale	-	-	-
Write-offs during the period	-	-	(1,239.80)
New Addition during the year	164.28	30.25	139.54
Impairment loss allowance as at March 31, 2023	647.39	104.41	608.83

Particulars	Stage 1	Stage 2	Stage 3
Impairment loss allowance as at March 31, 2021	331.71	346.35	976.63
Movements during the year			
Addition / Reduction during the year	14.65	(188.70)	1224.60
Provision movement on account of asset sale	-	-	(4.31)
Write-offs during the period	-	-	(1,864.92)
New Addition during the year	109.54	28.04	120.52
Impairment loss allowance as at March 31, 2022	455.91	185.69	452.52

Movement of Impairment loss on Trade receivable, other financial assets and other non financial assets

For the year ended March 31, 2023

Particulars	Trade receivable	Other Financial assets	Other non Financial assets
Opening balance	0.04	2.39	5.42
Addition during the year	2.85	0.29	0.93
Reduction during the year	(0.04)	0.00	-
Closing Balance	2.85	2.68	6.35

For the year ended March 31, 2022

Particulars	Trade receivable	Other Financial assets	Other non Financial assets
Opening balance	0.34	1.91	113.74
Addition during the year	-	0.83	0.09
Reduction during the year	(0.30)	(0.34)	(108.41)
Closing Balance	0.04	2.39	5.42

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

(d) Credit risk mitigation

The below table shows the cover ratio of total NPA for the portfolio segment

As at March 31, 2023

Non Performing Loans	Retail Secured	Retail Unsecured
Loans	1.08	956.45
Loss Reserve(ECL)	0.29	608.54
Coverage	26.72%	63.62%

As at March 31, 2022

Non Performing Loans	Retail Secured	Retail Unsecured
Loans	1.86	691.56
Loss Reserve(ECL)	0.51	452.01
Coverage	27.42%	65.36%

38.1.3. Liquidity risk

Liquidity risk is the risk that the Company doesn't have sufficient financial resources to meet its obligations as and when they fall due or will have to do so at an excessive cost. This risk arises from the mismatches in the timing of the cash flows which is inherent in all financing operations and can be affected by a range of company specific and market wide events. Therefore, Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company has put in place an effective Asset Liability Management System, constituted an Asset Liability Management Committee ("ALCO") headed by Managing Director & CEO of the Company. The Company manages its liquidity risk through a mix of strategies, including forward-looking resource mobilization based on projected disbursements and maturing obligations. ALCO is responsible for managing the Company's liquidity risk via a combination of policy formation, review and governance, analysis, stress testing, limit setting and monitoring. Company's borrowing program is rated by CRISIL & ICRA. Short term rating is A1+ and long-term rating is AAA/Stable by both the agencies. There has been no change in ratings from last 10 years. The maturity pattern of items of non-derivative financial assets and liabilities at undiscounted principal and interest cash flows are as under: "

Maturity Analysis of Non Derivative financial assets & liabilities : As at March 31, 2023

Description	Upto 30/31 days	1-2 months	2-3 months	3-6 months	6-12 months	1 year to 3 years	3 year to 5 years	Over 5 years	Total
Financial Liabilities									
Payable	199.54	219.02	125.11	233.99	627.05	1.25	-	-	1,405.96
Debt securities	-	22.96	488.27	36.92	1,103.06	4,955.00	-	-	6,606.21
Borrowings other than debt securities	6,209.07	5,453.61	5,662.86	1,195.00	1,872.93	1,499.81	1,249.58	-	23,142.86
Subordinated liabilities	-	529.19	6.59	14.85	209.91	-	-	600.00	1,360.54
Other Financial Liabilities	967.05	48.23	49.40	121.11	48.09	164.16	124.28	162.02	1,684.34
Financial Liabilities Total	7,375.66	6,273.01	6,332.23	1,601.87	3,861.04	6,620.22	1,373.86	762.02	34,199.91
Financial Assets									
Cash and cash equivalents	989.05	-	-	-	-	-	-	0.74	989.79
Bank Balances other than cash and cash equivalents	236.65	-	-	-	-	-	-	128.03	364.68
Trade receivable	55.62	20.44	60.01	6.05	0.04	-	-	-	142.16
Loans	15,603.47	6,378.17	3,971.79	5,845.48	3,212.30	4,001.06	-	348.71	39,360.98
Investments	2.10	154.18	93.16	135.95	289.45	325.41	828.36	311.08	2,139.69
Other Financial Assets	-	-	8.84	6.09	40.98	356.55	0.23	3.80	416.49
Financial Assets Total	16,886.89	6,552.79	4,133.80	5,993.57	3,542.77	4,683.02	828.59	792.36	43,413.79

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Maturity Analysis of Non Derivative financial assets & liabilities : As at March 31, 2022

Description	Upto 30/31 days	1-2 months	2-3 months	3-6 months	6-12 months	1 year to 3 years	3 year to 5 years	Over 5 years	Total
Financial Liabilities									
Payable	185.45	140.59	87.70	190.33	523.60	-	-	-	1,127.67
Debt securities	-	22.90	503.98	201.64	1,572.82	4,355.00	450.00	-	7,106.34
Borrowings other than debt securities	5,153.07	4,271.64	2,905.00	1,450.00	400.44	-	499.95	-	14,680.10
Subordinated liabilities	100.00	-	6.52	28.86	10.64	700.00	-	350.00	1,196.02
Other Financial Liabilities	947.34	51.27	49.79	148.90	31.43	102.97	71.50	169.49	1,572.69
Financial Liabilities Total	6,385.86	4,486.40	3,552.99	2,019.73	2,538.93	5,157.97	1,021.45	519.49	25,682.82
Financial Assets									
Cash and cash equivalents	653.23	-	104.93	-	-	-	-	-	758.16
Bank Balances other than cash and cash equivalents	241.29	0.01	0.04	0.14	0.55	1.47	0.02	104.71	348.23
Trade receivable	34.92	18.92	104.73	9.87	0.03	-	-	-	168.47
Loans	10,371.40	4,627.62	3,004.20	4,719.35	3,276.31	3,947.47	-	240.90	30,187.25
Investments	-	230.31	53.06	402.30	195.68	217.68	180.24	17.92	1,297.19
Other Financial Assets	0.02	30.48	2.17	40.86	3.30	135.36	-	1.13	213.32
Financial Assets Total	11,300.86	4,907.34	3,269.13	5,172.52	3,475.87	4,301.98	180.26	364.66	32,972.62

Maturity Analysis of Derivative financial assets & liabilities :

Description	Upto 30/31 days	1-2 months	2-3 months	3-6 months	6-12 months	1 year to 3 years	3 year to 5 years	Over 5 years	Total
As at March 31, 2023									
Foreign exchange forward contract liabilities (Assets)	-	-	-	-	1.10	-	-	-	1.10
As at March 31, 2022									
Foreign exchange forward contract liabilities (Assets)	-	-	-	-	-	-	-	-	-

The table above details the Company's expected maturities for its non-derivative and derivative financial instruments drawn up based on the undiscounted contractual maturities including interest. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves at the end of the reporting period.

Following is the position of company's undrawn limits as on respective year end dates:

Funding Facility	Total Facility	Drawn	Undrawn
March 31, 2023			
Less than 1 year	25,000.00	20,393.24	4,606.76
March 31, 2022			
Less than 1 year	20,000.00	14,995.31	5,004.69

Other price risks

The Company is exposed to equity price risks arising from equity investments. The Company's equity investments are held for strategic rather than trading purposes.

Equity price sensitivity analysis

If equity prices had been 10% higher/lower other comprehensive income for the year ended March 31, 2023 would increase/decrease by ₹ 1.91 Crores, (for the year ended March 31, 2022 increase/decrease by ₹ 1.79 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
10% value	1.91	(1.91)	1.79	(1.79)

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

39 AUDITORS' REMUNERATION (EXCLUDING GST/SERVICE TAX)*

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fee	0.36	0.30
Quarterly Limited Review fee	0.07	0.06
Tax audit fee	0.04	0.03
Fee for other services	0.08	0.07
Reimbursement of expenses	0.05	0.02
Total	0.60	0.48

*Refer Note 33

40 REWARD POINTS MOVEMENT

Movement of provision for reward points redemption and legal cases in accordance with Ind AS 37; Provisions, contingent liabilities and contingent assets is as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Provision at the beginning of the year	410.14	342.10
b. Net addition during the year	809.52	601.90
c. Value of points redeemed during the year	(670.69)	(533.86)
d. Provision at the end of the year* (a+b-c)	548.97	410.14

*Provision for reward points as at March 31, 2023 and March 31, 2022 provided as per actuarial valuation, Refer note 21.

Legal Claims:

The below table provide the movement of the provision for cases filed against the Company in the ordinary course of business.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Provision at the beginning of the year	0.10	0.16
b. Additions / (Reduction) made during the year	0.39	(0.03)
c. Amount Paid during the year	0.06	0.03
d. Provision at the end of the year (a+b-c)	0.43	0.10

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

41 RELATED PARTY DISCLOSURES

List of parties who have controlling interest or with whom transactions have taken place during the year.

List of Related Parties

i. Holding Entity

State Bank of India

ii. Fellow subsidiaries

SBI Capital Markets Ltd.

SBICAP Securities Ltd.

SBICAP Trustee Company Ltd.

SBICAP Ventures Ltd.

SBI DFHI Ltd.

SBI Global Factors Ltd.

SBICAP (Singapore) Limited (Till November 30, 2022)

State Bank Operations Support Services Private Limited (From July 26, 2022)

SBI Mutual Fund Trustee Company Pvt Ltd.

SBI Infra Management Solution Pvt. Ltd. (Till September 30, 2022)

SBI Payment Services Pvt. Ltd.

SBI Pension Funds Pvt Ltd.

SBI General Insurance Company Ltd.

SBI Life Insurance Company Ltd.

SBI-SG Global Securities Services Pvt. Ltd.

SBI Funds Management Ltd.

SBI Funds Management (International) Private Ltd.

Commercial Indo Bank Llc, Moscow

SBI Canada Bank

State Bank of India (California)

State Bank of India (UK) Limited

State Bank of India Servicos Limitada (Brazil)

SBI (Mauritius) Ltd.

PT Bank SBI Indonesia

Nepal SBI Bank Ltd.

Nepal SBI Merchant Banking Ltd.

SBI Foundation (not for Profit Company)

SBI Card Employees gratuity fund

Bank SBI Botswana Ltd. (Till September 07, 2021)

YES Bank Limited

Investec Capital Services (India) Private Limited

iii. Key managerial personnel

Mr. Dinesh Khara, Director

Mr. Rama Mohan Rao Amara, MD and CEO

Mr. Ashwini Kumar Tewari (Till July 14, 2022)

Mr. Swaminathan Janakiraman (From July 22, 2022)

Mr Nalin Negi (Till July 31, 2022)

Mr. Sunil Kaul, Director (till June 18, 2021)

Mr. Devendra Kumar, Director (till June 8, 2021)

Ms. Payal Mittal Chhabra, Company Secretary

Mr. Mihir Narayan Prasad Mishra, Director

Dr. Tejendra Mohan Bhasin, Director

Mr. Rajendra Kumar Saraf, Director

Mr. Dinesh Kumar Mehrotra, Director

Ms. Anuradha Nadkarni, Director

Mr. Shriniwas Yeshwant Joshi, Director

Ms. Rashmi Mohanty, CFO (From October 21, 2022)

41.1 Transactions/balances outstanding with related parties for the Year ended/as at March 31, 2023

Particulars	Holding Entity	Entity having significant influence	Fellow Subsidiaries	Key Managerial Personnel
	For the year ended March 31, 2023			
a. Transactions during the period				
Advertisement, sales promotion & collection	18.32	-	-	-
Cost allocations received*	3.18	-	-	-
Fees and commission, bank charges	233.00	-	-	-
Commission received	-	-	0.10	-
Personnel cost (Managerial remuneration salaries & other allowances)	-	-	-	7.58
Personnel cost (Managerial remuneration- post employment benefits)	-	-	-	0.06

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Holding Entity	Entity having significant influence	Fellow Subsidiaries	Key Managerial Personnel
	For the year ended March 31, 2023			
Personnel cost (Managerial remuneration- share based payments)	-	-	-	0.40
Gratuity fund contribution	-	-	10.12	-
Interest income on fixed deposit	0.16	-	-	-
Income on investment	-	-	-	-
Finance charges	856.03	-	12.65	-
Borrowings taken	67,123.66	-	300.00	-
Borrowings repaid	61,043.88	-	155.00	-
Fixed deposit made	0.81	-	-	-
Fixed deposit matured	0.80	-	-	-
Investment made	-	-	-	-
Investment matured	-	-	-	-
Royalty expenses	45.17	-	-	-
Loans and advances given and other adjustments	0.49	-	6.38	0.59
Loans and advances Repaid	0.47	-	6.07	0.57
Insurance expenses	-	-	0.49	-
Contribution to other fund	1.18	-	-	-
CSR contribution	-	-	-	-
Depreciation on right of use asset	0.02	-	-	-
Dividend	163.16	-	0.09	0.00

Particulars	Holding Entity	Entity having significant influence	Fellow Subsidiaries	Key Managerial Personnel
	For the year ended March 31, 2023			
b. Balances Outstanding at Period End				
Trade payables and other liabilities	44.08	-	-	-
Trade receivables	-	-	0.02	-
Borrowings (other than debt securities)	15,445.75	-	-	-
Debt securities including interest payable	2,913.52	-	218.60	-
Cash and bank balances**	401.94	-	-	-
Loans and advances***	16.17	-	1.04	0.04
Fixed deposit including interest accrued	2.85	-	-	-
Investments	-	-	0.001	-
Contribution to other fund	0.10	-	-	-
Right of use asset	0.11	-	-	-
Dividend	163.16	-	0.09	0.00

All transactions with the related parties are at Arm's length.

*The amounts are included/ adjusted in the respective expense line items of operating and other expenses.

** These amounts represent cash & bank balance, book overdraft, funds in transit & earmarked balances as at March 31, 2023.

*** These amounts represent year-end balances outstanding as at March 31, 2023 on credit cards issued.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

41.2 Transactions/balances outstanding with related parties for the Year ended/as at March 31, 2022

Particulars	Holding Entity	Entity having significant influence	Fellow Subsidiaries	Key Managerial Personnel
a. Transactions during the period				
Advertisement, sales promotion & collection	18.21	-	-	-
Cost allocations received*	3.12	-	-	-
Fees and commission, bank charges	158.85	-	-	-
Commission received	-	-	0.17	-
Personnel cost (Managerial remuneration salaries & other allowances)	-	-	-	4.36
Personnel cost (Managerial remuneration- post employment benefits)	-	-	-	0.05
Personnel cost (Managerial remuneration- share based payments)	-	-	-	0.66
Gratuity fund contribution	-	-	3.18	-
Interest income on fixed deposit	0.15	-	-	-
Income on investment	-	-	0.01	-
Finance charges	427.09	-	24.89	-
Borrowings taken	51,993.60	-	-	-
Borrowings repaid	49,798.90	-	-	-
Fixed deposit made	0.82	-	-	-
Fixed deposit matured	0.68	-	-	-
Investment made	-	-	125.00	-
Investment matured	-	-	125.00	-
Royalty expenses	32.32	-	-	-
Loans and advances given and other adjustments	0.50	-	2.99	0.80
Loans and advances Repaid	0.53	-	2.92	0.76
Insurance expenses	-	-	0.61	-
Contribution to other fund	0.95	-	-	-
CSR contribution	-	-	-	-
Dividend	163.16	7.29	0.92	0.01

Particulars	Holding Entity	Entity having significant influence	Fellow Subsidiaries	Key Managerial Personnel
b. Balances Outstanding at Period End				
Trade payables and other liabilities	42.01	-	0.00	-
Trade receivables	-	-	0.06	-
Borrowings (other than debt securities)	9,398.64	-	-	-
Debt securities including interest payable	2,774.36	-	319.89	-
Cash and bank balances**	358.59	-	-	-
Loans and advances***	14.30	-	1.77	0.06
Fixed deposit including interest accrued	2.75	-	-	-
Investments	-	-	0.001	-
Contribution to other fund	0.08	-	-	-
Dividend	163.16	7.29	0.92	0.01

All transactions with the related parties are at Arm's length.

*The amounts are included/ adjusted in the respective expense line items of operating and other expenses.

** These amounts represent cash & bank balance, book overdraft, funds in transit & earmarked balances as at March 31, 2022.

*** These amounts represent year-end balances outstanding as at March 31, 2022 on credit cards issued.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Option movement	As at March 31, 2023								
	Type of arrangement								
	Performance Options-1 (given on September 17, 2019)		Performance Options-2 (given on June 17, 2020)		Total				
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 1	Tranche 2	Tranche 3	Tranche 4	
Number of Options	13,870	3,77,640	24,67,450	-	-	-	26,390	-	29,01,900
Avg. Exercise price per share option (in ₹)	152.10	152.10	152.10	152.10	-	-	152.10	-	152.10
Options Forfeited during the year									
Number of Options	-	-	-	-	-	-	-	-	-
Options Expired during the year -									
Number of Options	13,750	-	1,29,000	1,72,000	-	-	-	-	3,14,750
Options Vested but not exercised during the year									
Number of Options	44,100	-	1,18,925	9,87,200.00	-	-	-	-	11,50,225
Options Outstanding at the year end									
Number of Options	-	-	-	46,06,200	-	-	39,585	52,780	46,98,565
Avg. Exercise price per share option (in ₹)	-	-	-	152.10	-	-	152.10	152.10	152.10

The weighted average market price of equity shares for options exercised during the year is ₹ 854.39

Option movement	As at March 31, 2022								
	Type of arrangement								
	Performance Options-1 (given on September 17, 2019)		Performance Options-2 (given on June 17, 2020)		Total				
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 1	Tranche 2	Tranche 3	Tranche 4	
Goodwill Options									
Number of Options	-	-	23,89,100	35,83,650	47,78,200	13,195	26,390	39,585	1,08,82,900
Avg. Exercise price per share option (in ₹)	-	-	152.10	152.10	152.10	152.10	152.10	152.10	152.10
Vesting Period	-	-	2 year	3 year	4 year	1 year	2 year	3 year	4 year
Number of Options Vested but not exercised	176,000	4,68,803	-	-	-	-	-	-	4,68,803
Options Granted during the year									
Number of Options	-	-	-	-	-	-	-	-	-
Avg. Exercise price per share option (in ₹)	-	-	-	-	-	-	-	-	-
Vesting Period	-	-	-	-	-	-	-	-	-

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Option movement	As at March 31, 2022							
	Type of arrangement							
	Goodwill Options	Performance Options-1 (given on September 17, 2019)		Performance Options-2 (given on June 17, 2020)		Performance Options-2 (given on June 17, 2020)		Total
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Options Exercised during the year								
Number of Options	94,600	4,54,933	18,92,535.00	-	13,195.00	-	-	24,55,263
Avg. Exercise price per share option (in ₹)	152.10	152.10	152.10	-	152.10	-	-	152.10
Options Forfeited during the year								
Number of Options	-	-	-	-	-	-	-	-
Options Expired during the year -								
Number of Options	7,000	-	-	-	-	-	-	7,000
Options Vested but not exercised during the year								
Number of Options	74,400	13,870	4,96,565	-	-	-	-	5,84,835
Options Outstanding at the year end								
Number of Options	-	-	-	35,83,650	47,78,200	26,390	39,585	84,80,605
Avg. Exercise price per share option (in ₹)	-	-	152.10	152.10	152.10	152.10	152.10	152.10

The weighted average market price of equity shares for options exercised during the year is ₹ 1,025.83

ii) Share options outstanding at the end of period have following expiry date and exercise prices.

Option	Grant date	Expiry date	Exercise price (in ₹)	Share options March 31, 2023
Performance Option-1	Tranche 4 - September 17, 2019	16 September 2023	152.10	46,06,200
Performance Option-2	Tranche 3 - June 17, 2020	16 June 2023	152.10	39,585
	Tranche 4 - June 17, 2020	16 June 2024	152.10	52,780
Total				46,98,565
	Weighted average remaining contractual life of options outstanding (In years)			0.51

iii) Options granted during the year ended March 31, 2023 - NIL Previous Year - NIL

b. Expense arising from share-based payment transactions

Particulars	March 31, 2023	March 31, 2022
Employee option plan	14.11	22.79
Total expense	14.11	22.79

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

43 LEASES

I. Short Term lease payments

For the operating lease agreements entered into by the Company which are considered as short term leases (lease term of less than 12 months period) under IND AS 116, right of use asset and lease liability has not been recognized during the year. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Low-value assets comprise IT-equipment and small items of office furniture.

II. Variable lease payments

Under certain contracts, payments are variable in nature as it depends on number of man hours worked by non-full-time employee in a particular month. Variable lease payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Maturity Analysis of lease liabilities:

Particulars	March 31, 2023	March 31, 2022
Not later than one year	92.49	62.38
Later than one year and not later than five years	286.73	174.46
Later than five years	42.25	65.61
Total minimum lease payments (Refer Note 20)	421.47	302.45

44 EMPLOYEE BENEFITS

Defined contribution plans

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provident Fund	21.51	19.00
Employee State Insurance Corporation (ESIC)	0.23	0.31
Contribution to National Pension System	1.18	0.78
Labour Welfare Fund	0.14	0.14
Total	23.06	20.22

Defined benefit plans

The Company has a defined benefit gratuity plan for its employees. Under the gratuity plan, every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme of gratuity is unfunded.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.30%	6.45%
Future Salary Increase/Salary escalation	10.67%	9.00%
Expected return on plan assets	0.00%	0.00%
Retirement Age (years)	60 years	60 Years
Mortality Tables*	2012-14	2012-14

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employee turnover		
From 21 to 30 years	32.00%	33.00%
From 31 to 40 years	26.00%	26.00%
From 41 to 50 years	19.00%	15.00%
From 51 to 59 years	18.00%	5.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion & Other relevant factors, such as supply & demand in the employment market.

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan. The present value of the defined benefit obligation and the related current service cost are measured using the Projected Unit Credit Method with actuarial valuations being carried out at each balance sheet date.

Statement of profit and loss

Net employee benefits expense recognized in the employee cost:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	6.86	7.97
Past service cost	-	-
Interest on net defined benefit liability / (asset)	(0.26)	(0.11)
Components of defined benefit costs recognised in profit or loss *	6.60	(7.86)
Remeasurement on the net defined benefit liability:		
Changes in financial assumptions	2.43	(0.53)
Changes in demographic assumptions	(2.32)	(5.35)
Experience adjustments	5.72	(1.49)
Return on plan assets (excluding amounts included in net interest expense)	(1.27)	0.49
Adjustments for restrictions on the defined benefit asset	-	-
Components of defined benefit costs recognised in other comprehensive income	4.56	(6.89)

*For the year ended March 31, 2022, contribution of ₹ 0.13 Crores has been made by trust maintained with SBI Life Insurance Company Limited.

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of funded defined benefit obligation	65.50	56.46
Fair value of plan assets	(65.98)	(57.98)
Net obligation status	(0.48)	(1.52)
Restrictions on asset recognised	-	-
Net liability arising from defined benefit obligation	(0.48)	(1.52)

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Movements in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	56.46	56.28
Current service cost	6.86	7.97
Past service cost	-	-
Interest cost	3.33	3.38
Remeasurement (gains)/losses due to:		
Actuarial gains and losses arising from changes in financial assumptions	2.43	(0.53)
Actuarial gains and losses arising from changes in demographic assumptions	(2.32)	(5.35)
Actuarial gains and losses arising from experience adjustments	5.72	(1.49)
Benefits paid	(6.98)	(3.79)
Closing defined benefit obligation	65.50	56.46

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening fair value of plan assets	57.98	55.47
Employer contributions	10.12	3.30
Interest on plan assets	3.59	3.49
Remeasurement due to:		
Actual return on plan assets less interest on plan assets	1.27	(0.49)
Benefits Paid	(6.98)	(3.79)
Closing defined benefit obligation	65.98	57.98

Sensitivity Analysis:

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate		
Impact of increase 50 bps on Defined benefit obligation	-2.41%	-3.04%
Impact of Decrease 50 bps on Defined benefit obligation	2.52%	3.22%
Salary Escalation rate		
Impact of increase 50 bps on Defined benefit obligation	2.43%	3.12%
Impact of Decrease 50 bps on Defined benefit obligation	-2.34%	-2.98%

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Projected plan cash flow:

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

Maturity Profile	For the year ended March 31, 2023	For the year ended March 31, 2022
Expected Benefits for 1 year	12.77	9.79
Expected Benefits for 2 year	11.41	8.24
Expected Benefits for 3 year	9.79	7.25
Expected Benefits for 4 year	8.94	6.06
Expected Benefits for 5 year	7.42	5.72
Expected Benefits for 6 year	6.52	4.39
Expected Benefits for 7 year	5.91	4.38
Expected Benefits for 8 year	4.95	3.90
Expected Benefits for 9 year	4.82	3.42
Expected Benefits for 10 year and Above	27.84	38.54
Weighted average duration to the payment of these cash flows (in Years)	4.92	6.25

Compensated absences

An actuarial valuation of compensated absences has been carried out by an independent actuary based on the following assumption: The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.30%	6.45%
Future Salary Increase/Salary escalation	10.67%	9.00%
Retirement Age (years)	60 Years	60 Years
Mortality Tables*	2012-14	2012-14
Employee turnover		
From 21 to 30 years	32.00%	33.00%
From 31 to 40 years	26.00%	26.00%
From 41 to 50 years	19.00%	15.00%
From 51 to 59 years	18.00%	5.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion & Other relevant factors, such as supply & demand in the employment market.

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others.

Defined Benefit Obligation of compensated absence in respect of the employees of the Company are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit obligation	16.80	15.50
Closing defined benefit obligation	16.80	15.50

Long service award

An actuarial valuation for Long Service Awards to employee has been carried out by an independent actuary based on the following assumption:

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.30%	6.45%
Increase in Cost of Award	0.00%	0.00%
Retirement Age (years)	60 Years	60 Years
Mortality Tables*	2012-14	2012-14
Employee turnover		
From 21 to 30 years	32.00%	33.00%
From 31 to 40 years	26.00%	26.00%
From 41 to 50 years	19.00%	15.00%
From 51 to 59 years	18.00%	5.00%

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotion & Other relevant factors, such as supply & demand in the employment market.

* Based on India's standard mortality table with modification to reflect expected changes in mortality/ others.

Defined Benefit Obligation of long service award in respect of the employees of the Company are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit obligation	5.01	6.10
Closing defined benefit obligation	5.01	6.10

45 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Claims against the Company not acknowledged as debt		
(a) Demand notices from Service tax department	27.81	26.03
(b) Claims against the company in the ordinary course of business	41.92	24.94
(c) Guarantees	8.48	8.17
(d) Demand notice from Income tax department	1.98	1.98
(e) Contribution notice from ESIC & EPFO	7.08	7.08
Total	87.28	68.20
Pre-deposit against claims	2.62	2.49

- Certain show cause notices relating to indirect taxes matters amounting to ₹ 3.13 Crores (previous period ₹ 0.42 Crores) and interest as applicable, have neither been acknowledged as claims nor acknowledged as contingent liabilities. Based on internal assessment and discussion with tax advisors, the Company is of the view that the possibility of any of these tax demands materializing is remote.
- In absence of any specific entry in the Indian Stamp Act, 1899 for amalgamation, which is open to interpretation of the stamp collector, the Company has filed an application dated June 30, 2019 for adjudication of the stamp duty. During the pendency of the adjudication application, it is difficult to provide an estimate of the actual stamp duty that would be leviable on the Company and therefore no provision has been made in the financial statements for the year ended March 31, 2023.
- Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounted to ₹ 18.11 Crores as at March 31, 2023 (₹ 10.22 Crores as at March 31, 2022)

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

46 As per the best available information on records, Company does not have any transactions with the companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the financial year 2022-23.

47 SEGMENT INFORMATION

There is only reportable segment (“Credit cards”) an envisaged by Ind AS 108 Segment reporting, specified under section 133 of the Companies act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014. Further, the economic environment in which the Company operates is significantly similar and not subject to materially different risk and rewards.

Accordingly, as the Company operates in a single business and geographical segment, the reporting requirement for primary and secondary disclosures prescribed by Ind AS 108 are not required to be given.

48 In respect of accounts receivables, the Company is regularly generating and dispatching customer statements on periodic interval wherever transactions or outstanding are there. In case of disputes with regard to billing, there is a process of resolution and adjustments are carried out on regular basis. Moreover, in respect of accounts payable, the Company has a process of receiving regular balance confirmation from its vendors. For the year end balances of account receivables and account payables, the management is of the opinion that adjustments, if any required through the above-mentioned process, will not have any material impact on the financials of the Company.

49 The Company deposited Goods and Service Tax [GST] on Interchange received by it in respect of VISA International transactions.

However, in February 2019, Company has received a declaration from VISA that Settlement of International Interchange is being done in INR as per approval of RBI obtained by VISA in 1995. On the basis of said declaration, the Company has obtained opinion from legal firm confirming that the same can be treated as receipt of consideration in convertible foreign exchange and consequently as export of service and therefore not chargeable to GST. The Company has accordingly decided to stop paying GST on International Interchange henceforth and decided to file a refund application for ₹ 4.51 Crores for the GST paid from July 2017 to March 2018 with GST authorities.

The said refund is subject to interpretation of law for which there is no precedence in the form of judgements/ departmental clarifications. In view of the above, the Company has provided for 100% provision against the refund claim to mitigate the uncertainty risk.

Further, on February 21, 2023, the refund claim filed by the Company has been rejected by the GST authorities. Company has filed a Writ Petition before the Hon’ble Punjab & Haryana High Court challenging the said rejection. The same came up for hearing on April 18, 2023. The bench vide Order dated April 18, 2023 has issued notice to the GST department and has directed them to file a reply.

50 The Company is a registered Corporate Insurance agent having license from Insurance Regulatory & Development Authority of India (IRDAI). The company is engaged in the sale of Life Insurance and Non-Life/General insurance products to its credit card customers. Commission income arising from selling of insurance product is recognised as Insurance commission income. Commission from sale are as under:

- i) Life Insurance is ₹ 0.001 Crores in each FY 2022-23 and FY 2021-22.
- ii) Non-life/General Insurance is ₹ 3.45 Crores in FY 2022-23 and ₹ 4.88 Crores in FY 2021-22.

51 The Company has not sold any portion of Stage 3 assets to an Asset Restructuring Company during the financial year ended March 31, 2023. Details of such transaction is as below:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Number of accounts	-	825
Aggregate value (net of provisions) of accounts sold to ARC	₹ 0.00 crores	₹ 2.23 crores
Aggregate consideration	₹ 0.00 crores	₹ 0.52 crores
Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
Aggregate gain / (loss) over net book value	(₹ 0 crores)	(₹ 1.71 crores)

The consideration on sale of asset [Stage 3] has been settled in cash as of March 31, 2022.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

52 The Company has revised the estimation model for Expected Credit Loss [ECL] on account of change in estimation, including forward looking macro-economic factors in probability of default of the credit card portfolio resulting to higher ECL of ₹ 24.92 Crores during the quarter and year ended March 31, 2023.

The company also revised the Management Overlay on the RBI RE accounts as the remaining portfolio has reduced substantially and performing in line with regular portfolio, resulting to lower ECL of ₹ 4.38 Crores during the quarter and year ended March 31, 2023.

53 During the period ended March 31, 2023, the Company did not have any exceptional items or extraordinary items as defined under Ind AS 1, Presentation of Financial Statements.

54 ANALYTICAL RATIOS

Ratio	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)	Total capital employed	Total Risk weighted asset	23.08%	23.83%	-0.75%	NA
Tier I CRAR	Total equity reduced by Deferred Tax, Intangible assets and Unamortised card acquisition cost	Total Risk weighted asset	20.37%	21.03%	-0.66%	NA
Tier II CRAR	Provision on standard asset to the extent of 1.25% of total risk weighted asset and Sub-ordinated debts with original maturity above 5 years	Total Risk weighted asset	2.71%	2.80%	-0.09%	NA
Liquidity Coverage Ratio	Stock of High Quality Liquid Asset	Total net cash outflows over the next 30 calendar days	85.95%	79.06%	6.89%	NA

55 SEBI CIRCULAR NO SEBI/HO/DDHS/P/CIR/2021/613 DATED AUGUST 10, 2021

Sr. No.	Particulars	Details
1	Name of the company	SBI Cards and Payment Services Limited
2	CIN	L65999DL1998PLC093849
3	Outstanding borrowing of company as on March 31, 2023 (in ₹ cr)	₹ 31,109.61 Crores
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	AAA/Stable by CRISIL & ICRA
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

56 SEBI CIRCULAR NO SEBI/HO/DDHS/P/CIR/2021/613 DATED AUGUST 10, 2021

Sr. No.	Particulars	Details
1	2-year block period (specify financial years)	FY 2023 and FY 2024
2	Incremental borrowing done in FY 2023 (a)	₹ 4,100.00 Crores
3	Mandatory borrowing to be done through issuance of debt securities in FY 2023 (b) = (25% of a)	₹ 1,025.00 Crores
4	Actual borrowings done through debt securities in FY 2023 (c)	₹ 1,850.00 Crores
5	Shortfall in the mandatory borrowing through debt securities, if any, for FY 2022 carried forward to FY 2023. (d)	Nil
6	Quantum of (d), which has been met from (c) (e)	Nil
7	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2023 {after adjusting for any shortfall in borrowing for FY 2022 which was carried forward to FY 2023} (f) = (b)-[(c)-(e)] {If the calculated value is zero or negative, write "nil"}	Nil

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

57 DISCLOSURE IN TERMS OF RBI CIRCULAR (RBI/2019-20/88) NO: DOR.NBFC (PD) CC. NO.102/03.10.001/2019-20 DATED NOVEMBER 04, 2019.

57.1.1 Public disclosure on liquidity risk:

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. No.	Quarter ended	Number of Significant Counterparties	Amount (₹ crore)	% of Total deposits	% of Total Liabilities
1	June 2022	8 (Eight)	21,862.31	NA	76.75%
2	September 2022	8 (Eight)	25,316.32	NA	77.51%
3	December 2022	7 (Seven)	26,463.23	NA	78.93%
4	March 2023	7 (Seven)	28,627.43	NA	80.15%

ii) Top 20 large deposits (amount in ₹ crore and % of total deposits)

Company is registered as Non-Deposit taking Systemically Important NBFC, hence this clause is not applicable

iii) Top 10 borrowings (amount in ₹ crore and % of total borrowings)

Sr. No.	Quarter ended	Amount (₹ crore)	% of Total borrowings
1	June 2022	22,290.44	90.57%
2	September 2022	25,802.76	92.33%
3	December 2022	27,181.18	93.25%
4	March 2023	29,288.85	94.94%

iv) Funding Concentration based on significant instrument/product

Sr. No.	Quarter ended	Bank Lines		Debentures		Term Loan		Commercial papers	
		Total Amount (₹ Crore)	% of Total Liabilities	Total Amount (₹ Crore)	% of Total Liabilities	Total Amount (₹ Crore)	% of Total Liabilities	Total Amount (₹ Crore)	% of Total Liabilities
1	June 2022	15,169.78	53.26%	7949.39	27.91%	502.04	1.76%	1,171.25	4.11%
2	September 2022	17,626.57	53.97%	8320.28	25.47%	1,005.19	3.08%	1,234.33	3.78%
3	December 2022	19,235.38	57.37%	8672.95	25.87%	999.79	2.98%	494.45	1.47%
4	March 2023	20,393.24	57.10%	7966.75	22.31%	2,749.62	7.70%	-	0.00%

v) Stock Ratios :

Sr. No.	Quarter ended	Name of the instrument/ product	% of Total Public Funds	% of Total Liabilities	% of Total Assets
a	June 2022	Commercial Papers	NA	4.11%	3.18%
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other short-term liabilities	NA	65.50%	50.62%
b	September 2022	Commercial Papers	NA	3.78%	2.97%
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other short-term liabilities	NA	67.18%	52.77%
c	December 2022	Commercial Papers	NA	1.47%	1.15%
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other Short term liabilities	NA	69.10%	53.89%

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Sr. No.	Quarter ended	Name of the instrument/ product	% of Total Public Funds	% of Total Liabilities	% of Total Assets
d	March 2023	Commercial Papers	NA	0.00%	0.00%
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other short-term liabilities	NA	69.28%	54.33%

vi) Institutional set-up for liquidity risk management

Refer note no 38.1.3 for details

57.1.2. Disclosure on Liquidity Coverage Ratio

Reserve Bank of India, through the Liquidity Risk Management Framework for Non-Banking Financial Companies, introduced Liquidity Coverage Ratio (LCR) with the objective that NBFC shall maintain a liquidity buffer in terms of LCR which will promote resilience of NBFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. HQLA means liquid assets that can be readily sold or immediately converted into cash at little or no loss of value or used as collateral to obtain funds in a range of stress scenarios. Liquidity management in the Company is driven by the Board approved Asset Liability Management (ALM) Policy. The Asset Liability Committee (ALCO) is a decision-making unit responsible for implementing the liquidity risk management strategy of the Company, formulating the Company's funding strategies to ensure that the funding sources are well diversified and is consistent with the operational requirements of the Company and ensures adherence to the risk tolerance/limits set by the Board.

The LCR requirement were effective December 01, 2020, with the minimum HQLAs to be held being 50% of the LCR, progressively increase it by 10% / 15%, to reach up to the required level of 100% by December 01, 2024. From December 01, 2022, the minimum HQLAs to be held are at 70% of the LCR.

The LCR is calculated by dividing Stock of HQLA by total net cash outflows over the next 30 calendar days. Total net cash outflows over the next 30 days are equal to stressed outflows minus Minimum of stressed inflows or 75% of stressed outflows (wherein stressed outflows are 115% of outflows and stressed inflows are 75% of inflows).

The following table sets out the average of unweighted and weighted value of the LCR components of the Company calculated in accordance with RBI circular no RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019. The average weighted and unweighted amounts are calculated taking simple averages of daily observations over the respective quarter, during the financial year 2022-23:

Sr. No.	Particulars	Quarter ended March 31, 2023		Quarter ended December 31, 2022		Quarter ended September 30, 2022		Quarter ended June 30, 2022	
		Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
High Quality Liquid Asset									
1	Total High Quality Liquid Assets (HQLA)	-	2349.43	-	2072.19	-	1678.91	-	1554.96
Cash Outflows									
2	Deposits (For Deposit taking Companies)	-	-	-	-	-	-	-	-
3	Unsecured Wholesale Funding	-	-	-	-	-	-	-	-
4	Secured Wholesale Funding	6,212.30	7,144.14	6,220.18	7,153.21	5,141.28	5,912.48	4,728.88	5,438.21
5	Additional Requirements, of which								

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended March 31, 2023		Quarter ended December 31, 2022		Quarter ended September 30, 2022		Quarter ended June 30, 2022	
		Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	1,538.94	1,769.78	589.98	678.48	526.90	605.94	511.74	588.51
6	Other contractual funding obligations	1,756.45	2,019.92	1,684.54	1,937.22	1,448.29	1,665.53	1,174.16	1,350.28
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	Total Cash Outflows	9,507.69	10,933.84	8,494.70	9,768.91	7,116.47	8,183.95	6,414.78	7,377.00
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	14,771.51	11,078.64	13,971.28	10,478.46	11,826.00	8,869.50	10,685.04	8,013.78
11	Other Cash Inflows	162.01	121.50	153.44	115.08	142.71	107.04	157.18	117.88
12	Total Cash Inflows	14933.52	11200.14	14124.72	10593.54	11968.71	8976.54	10842.22	8131.66
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	Total HQLA		2349.43		2072.19		1678.91		1554.96
14	Total Net Cash Outflows		2,733.46		2442.23		2045.99		1844.25
15	Liquidity Coverage Ratio (%)		85.95%		84.85%		82.06%		84.31%

The average weighted and unweighted amounts are calculated taking simple averages of daily observations over the respective quarter, during the financial year 2021-22:

Sr. No.	Particulars	Quarter ended March 31, 2022		Quarter ended December 31, 2021		Quarter ended September 30, 2021		Quarter ended June 30, 2021	
		Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
High Quality Liquid Asset									
1	Total High Quality Liquid Assets (HQLA)	-	1311.17	-	1188.68	-	1011.13	-	1038.66
Cash Outflows									
2	Deposits (For Deposit taking Companies)	-	-	-	-	-	-	-	-
3	Unsecured Wholesale Funding	-	-	-	-	-	-	-	-
4	Secured Wholesale Funding	4,279.67	4,921.62	4,218.80	4,851.62	3,433.13	3,948.10	3,555.52	4,088.84

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended March 31, 2022		Quarter ended December 31, 2021		Quarter ended September 30, 2021		Quarter ended June 30, 2021	
		Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
5	Additional Requirements, of which								
(i)	Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	440.96	507.10	421.15	484.33	393.02	451.98	173.41	199.43
6	Other contractual funding obligations	1,047.72	1,204.88	1,036.93	1,192.46	948.52	1,090.80	866.58	996.56
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	Total Cash Outflows	5,768.34	6,633.59	5,676.88	6,528.41	4,774.68	5,490.88	4,595.51	5,284.83
Cash Inflows									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	9,610.82	7,208.11	9,077.13	6,807.85	7,381.52	5,536.14	6,895.86	5,171.89
11	Other Cash Inflows	142.52	106.89	130.10	97.57	133.05	99.79	234.29	175.72
12	Total Cash Inflows	9753.34	7315.00	9207.23	6905.42	7514.58	5635.93	7130.15	5347.62
			Total Adjusted Value		Total Adjusted Value		Total Adjusted Value		Total Adjusted Value
13	Total HQLA		1311.17		1188.68		1011.13		1038.66
14	Total Net Cash Outflows		1,658.40		1632.10		1372.72		1321.21
15	Liquidity Coverage Ratio (%)		79.06%		72.83%		73.66%		78.61%

The main drivers of the LCR calculation in outflow over 30 days period is contractual borrowing obligations of the Company in the form of bank lines, commercial papers, debentures and term loans. Other contractual funding obligations consist of liabilities towards network partners, vendor payments and other liabilities. Further Company has used the behavioral study to take the impact of unused credit and liquidity facilities that Company has provided to its cardholders. Main driver of inflows is the repayments from the cardholders which are taken basis the past behavioral pattern observed. Other cash inflows consist of incomes accruals which Company expects to receive in next 30 days.

The average LCR of the Company for the three months ended March 31, 2023 was 85.95% as against 79.06% for the previous year ended March 31, 2022. The LCR remains above the regulatory minimum requirement of 70%.

The average HQLA for the period ended March 31, 2023 was ₹ 2349.43 crores as against ₹ 1311.17 crores for the previous year ended March 31, 2022. The net cash outflow position has gone up by ₹ 1075.06 crores due to increase in next 30 days outflows and HQLA level has up by ₹ 1038.26 crores. HQLA comprises of Investment in Government Securities (62.87%), Investments in Treasury Bills (33.67%) and balances held in current account with Scheduled Commercial Banks (3.46%)

Management is of the view that the Company has sufficient liquidity cover to meet its likely future short-term requirements.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Assets side	Amount outstanding	
	As at March 31, 2023	As at March 31, 2022
4 Break-up of Investments:		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	567.61	878.31
(v) Others	Nil	Nil
2. Unquoted:		
(i) Shares: (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others	Nil	Nil
Long Term investments:		
1. Quoted:		
(i) Shares: (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	1,552.95	400.96
(v) Others	Nil	Nil
2. Unquoted:		
(i) Shares: (a) Equity	19.13	17.92
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others	Nil	Nil

Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions					
	As at March 31, 2023			As at March 31, 2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
5 1. Related Parties						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	0.60	0.60	-	0.27	0.27
(c) Other related parties	-	0.04	0.04	-	0.06	0.06
2. Other than related parties	283.46	40,437.52	40,720.98	340.30	30,940.74	31,281.04
Total	283.46	40,438.16	40,721.62	340.30	30,941.07	31,281.37

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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

Category	As at March 31, 2023		As at March 31, 2022	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
6 1. Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group *	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	2139.69	2139.69	1297.19	1297.19
Total	2139.69	2139.69	1297.19	1297.19

* Refer Note 9

Category	As at March 31, 2023	As at March 31, 2022
7 Other Information		
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	957.53	693.42
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	348.71	240.90
(iii) Assets acquired in satisfaction of Debt	-	-

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

59 DISCLOSURE OF RESTRUCTURED ACCOUNTS

S. No.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others			
		A	B	C	D	A	B	C	D	A	B	C	D
Asset Classification Details		#	#	#	#	#	#	#	#	#	#	#	#
1	Restructured accounts as on April 01, 2022	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-
7	Adjustments as on March 31, 2023 for payment/provision*	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount received	-	-	-	-	-	-	-	-	-	-	-	-
	Provision adjustments	-	-	-	-	-	-	-	-	-	-	-	-
8	Restructured Accounts as on March 31, 2023 (S.No 1+2-3-4-5-6-7)	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-

* The Original format does not contain these particulars details

A: Standard assets B: Sub-standard assets C: Doubtful assets D: Loss assets

Note : Restructured assets are classified as stage 3 assets and accordingly provision on the same is created as per ECL method prescribed under IND AS 109

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

60 ADDITIONAL DISCLOSURES

60.1 Capital

Particulars	As at March 31, 2023	As at March 31, 2022
i) CRAR (%)	23.08%	23.83%
ii) CRAR - Tier I Capital (%)	20.37%	21.03%
iii) CRAR - Tier II Capital (%)	2.71%	2.80%
iv) Amount of subordinated debt raised as Tier-II capital*	1,300	1,150
v) Amount raised by issue of Perpetual Debt Instruments	-	-

*Qualifying amount as Tier II Capital (after discounting) as at March 31, 2023 is ₹ 600 Crores (March 31, 2022 ₹ 490 Crores). Fresh subordinated debt raised as Tier II during Financial Year 2022-23 is ₹ 250 Crores (March 31, 2022 ₹ NIL Crores).

60.2 Investment

Particulars	As at March 31, 2023	As at March 31, 2022
1 Value of Investments		
(i) Gross Value of Investments		
(a) In India	2,139.69	1,297.19
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	2,139.69	1,297.19
(b) Outside India	-	-
2 Movement of Provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

60.3 Derivatives

Forward Rate Agreement / Interest Rate Swap

Particulars	As at March 31, 2023	As at March 31, 2022
(i) The notional principal of swap agreements	Nil	Nil
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil
(iii) Collateral required by the 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

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

60.4 Exchange Traded Interest Rate (IR) Derivatives

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	Nil	Nil
(ii)	Notional principal amount of exchange traded IR derivatives outstanding	Nil	Nil
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	Nil	Nil
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	Nil	Nil

60.5 Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

S. No.	Particulars	As at March 31, 2023		As at March 31, 2022	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	Hedged Assets	Nil	Nil	Nil	Nil
	Hedged Liabilities- Loan	404.98	Nil	Nil	Nil
	Hedged Liabilities- Interests	Nil	Nil	Nil	Nil
(ii)	Marked to Market Positions				
	a) Asset (+)	Nil	Nil	Nil	Nil
	b) Liability (-)	Nil	Nil	Nil	Nil
(iii)	Credit Exposure	Nil	Nil	Nil	Nil
(iv)	Unhedged Exposures	251.98	Nil	158.09	Nil

Refer note 38.1.1 to the financial statements for details

60.6 Disclosures relating to Securitisation

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	No of SPVs sponsored by the NBFC for securitisation transactions	Nil	Nil
2	Total amount of securitised assets as per books of the SPVs sponsored	Nil	Nil
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet	Nil	Nil
	a) Off-balance sheet exposures	Nil	Nil
	First loss	Nil	Nil
	Others	Nil	Nil
	b) On-balance sheet exposures	Nil	Nil
	First loss	Nil	Nil
	Others	Nil	Nil
4	Amount of exposures to securitisation transactions other than MRR	Nil	Nil
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	First loss	Nil	Nil
	Others	Nil	Nil
	ii) Exposure to third party securitisations		
	First loss	Nil	Nil
	Others	Nil	Nil
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	Nil	Nil
	Others	Nil	Nil
	ii) Exposure to third party securitisations		
	First loss	Nil	Nil
	Others	Nil	Nil

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

60.7 Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i)	No. of accounts	-	825
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	₹ 0 Crores	₹ 2.23 Crores
(iii)	Aggregate consideration	₹ 0 Crores	₹ 0.52 Crores
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v)	Aggregate gain / loss over net book value	₹ (0 Crores)	(₹ 1.71 Crores)

There has been no sale of Stage 3 assets during the FY 2022-23.

60.8 Details of Assignment transactions undertaken by NBFCs

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i)	No. of accounts	Nil	Nil
(ii)	Aggregate value (net of provisions) of accounts sold	Nil	Nil
(iii)	Aggregate consideration	Nil	Nil
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v)	Aggregate gain / loss over net book value	Nil	Nil

60.9 Details of non-performing financial assets purchased/sold from/to other NBFC

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1	(a) No. of accounts purchased during the year	Nil	Nil
	(b) Aggregate outstanding	Nil	Nil
2	(a) Of these, number of accounts restructured during the year	Nil	Nil
	(b) Aggregate outstanding	Nil	Nil

60.10 Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2023

Description	Upto 7 days	Upto 8 to 14 days	Upto 15 to 30 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	5779.50	4192.53	5631.44	6378.17	3971.79	5845.48	3212.30	4001.06	-	348.71	39,360.98
Investments	-	-	2.10	154.18	93.16	135.95	289.45	325.41	828.36	311.08	2,139.69
Borrowings	1226.94	1431.17	3550.96	6005.76	6157.72	1246.77	3185.91	6454.81	1249.89	599.69	31,109.62
Foreign Currency assets	-	-	-	-	-	43.59	66.78	-	-	-	110.37
Foreign Currency liabilities	-	-	-	141.61	-	-	-	-	-	-	141.61

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Maturity pattern of certain items of assets and liabilities as at March 31, 2022

Description	Upto 7 days	Upto 8 to 14 days	Upto 15 to 30 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-	-	-
Advances	3778.62	2768.07	3824.71	4627.62	3004.20	4719.35	3276.31	3947.47	-	240.90	30,187.25
Investments	-	-	-	230.31	53.06	402.30	195.68	217.68	180.24	17.92	1,297.19
Borrowings	1602.00	1050.00	2601.07	4294.54	3415.50	1680.50	1983.90	5055.00	949.95	350.00	22,982.46
Foreign Currency assets	-	-	-	-	4.11	-	71.41	-	-	-	75.52
Foreign Currency liabilities	-	-	17.81	64.76	-	-	-	-	-	-	82.57

60.11 Exposure to Real Estate Sector

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
i)	Direct Exposure		
	(a) 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
	(b) Commercial Real Estate		
	Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits.	Nil	Nil
	(c) Investments in Mortgage Backed Securities (MBS) and other securitized exposures :		
	a. Residential	Nil	Nil
	b. Commercial real estate	Nil	Nil
ii)	Indirect Exposure		
	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	Nil	Nil
	Total Exposure to Real Estate Sector	Nil	Nil

60.12 Exposure to Capital Market

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(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;	Nil	Nil
(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

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

S. No.	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(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: (i) Category I (ii) Category II (iii) Category III	Nil	Nil
Total Exposure to Capital Market		Nil	Nil

60.13 Sectoral exposure

Particulars	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	Nil	Nil	Nil	Nil	Nil	Nil
2. Industry						
Total of Industry	Nil	Nil	Nil	Nil	Nil	Nil
3. Services						
Total of Services	Nil	Nil	Nil	Nil	Nil	Nil
4. Personal Loans						
Total of Personal Loans	Nil	Nil	Nil	Nil	Nil	Nil
5. Others						
Credit Card Receivables *	40,808.90	957.53	2.35%	31,349.57	693.42	2.21%

* Off Balance sheet exposure relates to Contingent Liability as on the reporting date

60.14 Intra-group exposures

S. No.	Particulars	Current Year	Previous Year
i)	Total amount of intra-group exposures	0.60	0.27
ii)	Total amount of top 20 intra-group exposures	0.60	0.27
iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.001%	0.001%

60.15 Unhedged foreign currency exposure

Refer Note No 38.1.1

60.16 Details of financing of parent company products

The Company has not financed any of the products of its parent company during the financial year 2022-23.

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

60.17 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the prudential exposure limits during the year ended March 31, 2023.

60.18 Miscellaneous

60.18.1 Registration obtained from other financial sector regulators

The Company has also obtained registration from the following Regulators.

Registration Authority	Registration No.
Certificate of Incorporation under Companies Act 2013	L65999DL1998PLC093849
Insurance Regulatory and Development Authority of India	CA0075
NBFC Registration	14.01328

60.18.2 Disclosure of Penalties imposed by RBI and other regulators

No penalties have been imposed by any regulators during financial year 2022-23

60.18.3 Ratings assigned by credit rating agencies and migration of ratings during the year

The short-term debt rating of the Company is A1+ by CRISIL and ICRA. Long-term debt rating is AAA / Stable by CRISIL and ICRA. There is no change in the rating during financial year 2022-23.

60.18.4 Revenue Recognition

There is no circumstance in which revenue recognition has been postponed pending the resolution of significant uncertainties.

60.18.5 Remuneration to Directors

During the year the Company has paid ₹ 1.18 Crores towards Directors fees, allowances and expenses.

Refer note 33

60.18.6 Net Profit or loss for the period, prior period items and change in accounting policies

There has been no change in the Significant Accounting policies followed during the financial year 2022-23 in comparison to the financial Year 2021-22. Further, there are no adjustment of prior period items during the financial year 2022-23.

60.18.7 Related Party Transactions

Particulars	Parent (as per ownership or control)		Fellow Subsidiaries		Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
a. Transactions during the period								
Advertisement, sales promotion & Collection	18.32	18.21	-	-	-	-	18.32	18.21
Cost allocations received	3.18	3.12	-	-	-	-	3.18	3.12
Fees and Commission, bank charges	233.00	158.85	-	-	-	-	233.00	158.85
Commission Received	-	-	0.10	0.17	-	-	0.10	0.17
Personnel Cost (Managerial remuneration Salaries & other Allowances)	-	-	-	-	7.58	4.36	7.58	4.36
Personnel Cost (Managerial remuneration- Post Employment Benefits)	-	-	-	-	0.06	0.05	0.06	0.05
Personnel Cost (Managerial remuneration- Share based payments)	-	-	-	-	0.40	0.66	0.40	0.66

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Parent (as per ownership or control)		Fellow Subsidiaries		Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Gratuity fund contribution	-	-	10.12	3.18	-	-	10.12	3.18
Interest Income on fixed deposit	0.16	0.15	-	-	-	-	0.16	0.15
Income on investment	-	-	-	0.01	-	-	-	0.01
Finance charges	856.03	427.09	12.65	24.89	-	-	868.68	451.98
Borrowings taken	67,123.66	51,993.60	300.00	-	-	-	67,423.66	51,993.60
Borrowings repaid	61,043.88	49,798.90	155.00	-	-	-	61,198.88	49,798.90
Fixed Deposit made	0.81	0.82	-	-	-	-	0.81	0.82
Fixed deposit matured	0.80	0.68	-	-	-	-	0.80	0.68
Investment Made	-	-	-	125.00	-	-	-	125.00
Investment Matured	-	-	-	125.00	-	-	-	125.00
Royalty expenses	45.17	32.32	-	-	-	-	45.17	32.32
Loans and Advances given and other adjustments	0.49	0.50	6.38	2.99	0.59	0.80	7.45	4.29
Loans and Advances Repaid	0.47	0.53	6.07	2.92	0.57	0.76	7.11	4.21
Insurance Expenses	-	-	0.49	0.61	-	-	0.49	0.61
Contribution to Other Fund	1.18	0.95	-	-	-	-	1.18	0.95
CSR Contribution	-	-	-	-	-	-	-	-
Depreciation on right of use asset	0.02	-	-	-	-	-	0.02	-
Dividend	163.16	163.16	0.09	0.92	0.00	0.01	163.25	164.09
b. Balances Outstanding at Period End								
Trade Payables and Other liabilities	44.08	42.01	-	0.00	-	-	44.08	42.01
Trade receivables	-	-	0.02	0.06	-	-	0.02	0.06
Borrowings (other than debt securities)	15,445.75	9,398.64	-	-	-	-	15,445.75	9,398.64
Debt Securities including interest payable	2,913.52	2,774.36	218.60	319.89	-	-	3,132.13	3,094.25
Cash and Bank Balances	401.94	358.59	-	-	-	-	401.94	358.59
Loans and Advances	16.17	14.30	1.04	1.77	0.04	0.06	17.25	16.14
Fixed deposit including Interest Accrued	2.85	2.75	-	-	-	-	2.85	2.75
Investments	-	-	0.00	0.00	-	-	0.00	0.00
Contribution to other fund	0.10	0.08	-	-	-	-	0.10	0.08
Right of use asset	0.11	-	-	-	-	-	0.11	-
Dividend	163.16	163.16	0.09	0.92	0.00	0.01	163.25	164.09

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

61 Additional Disclosure

61.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	As at March 31, 2023	As at March 31, 2022
Provision towards stage 3 assets*	608.83	452.52
Provision for stage 1 and stage 2 assets *	751.81	641.60
Provision for Long Service Awards	5.01	6.10
Provision for reward points redemption	548.97	410.14
Provision for Compensated absences	16.80	15.50
Provision on Trade Receivable	2.85	0.04
Provision on Financial assets	2.29	2.39
Provision on Non Financial assets	6.35	5.42
Provision for Bonus & Incentive Payable	67.21	45.65

* Includes management overlay for FY 21-22 and NIL for FY 22-23

61.2 Draw Down from reserves

There is no draw down from the reserves during the financial year ended March 31, 2023.

61.3 Concentration of Deposits, Advances, Exposures and NPAs

Concentration of Advances

Particulars	As at March 31, 2023	As at March 31, 2022
Total Advances to twenty largest borrowers	60.15	50.55
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.15%	0.16%

Concentration of Exposures

Particulars	As at March 31, 2023	As at March 31, 2022
Total Advances to twenty largest borrowers**	212.96	264.63
Percentage of Exposures to twenty largest borrowers/customers to Total Exposures of the NBFC on borrowers/customers	0.10%	0.21%

**In case of Corporate Cards, the exposure includes all the credit cards exposure to that Corporate in total. The exposure here denotes the total credit card limit against the top twenty borrowers

Concentration of NPAs

Particulars	As at March 31, 2023	As at March 31, 2022
Total Exposure to top four NPA accounts*	0.55	0.70

*All four NPA accounts has been blocked for transactions.
refers to Stage 3 asset

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

61.4 Sector-wise NPAs

Sl No.	Sector	% of NPAs to Total Advances in that sector	As at March 31, 2023	As at March 31, 2022
1	Agriculture & allied activities	0.00%	-	-
2	MSME	0.00%	-	-
3	Corporate borrowers - Credit Cards*	0.00%	-	0.002
4	Services	0.00%	-	-
5	Unsecured personal loans	0.00%	-	-
6	Auto loans	0.00%	-	-
7	Other personal loans - Credit Cards	2.35%	957.53	693.42

*In case of Corporate Cards, the NPA includes all credit cards exposure to that corporate in total. % of NPA is for FY 2022-23

61.5

Sl No.	Particulars	As at March 31, 2023	As at March 31, 2022
(i)	Net NPAs to Net Advances (%)	0.87%	0.78%
	Movement of NPAs (Gross)		
	a) Opening balance	693.42	1254.28
	b) Additions during the year *	2152.94	2256.43
	c) Reductions during the year	(1,888.83)	(2,811.26)
	d) Derecognised during the year	-	(6.03)
	e) Closing balance	957.53	693.42
(ii)	Movement of NPAs (Net)		
	a) Opening balance	240.90	277.65
	b) Additions during the year	756.81	911.30
	c) Reductions during the year	(649.01)	(948.05)
	d) Closing balance	348.71	240.90
(iii)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	a) Opening balance	452.52	976.63
	b) Provision made during the year	1396.13	1345.12
	c) Write-off/write-back of excess	(1,239.82)	(1,864.92)
	d) Derecognised during the year	-	(4.31)
	e) Closing balance	608.83	452.52

*Additions during the year is net of repayment

refers to Stage 3 asset

61.6 Disclosure in terms of RBI Circular (RBI/2019-20/170) No: DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020:

Asset Classification as per RBI Norms	Asset Classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions as required under Ind AS 109)	Net Carrying Amount	Provisions required as per IRACP norms *	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	37,546.64	647.39	36,899.24	159.06	592.75
	Stage 2	2,217.45	104.41	2,113.03		
Subtotal of Performing Assets		39,764.08	751.80	39,012.27	159.06	592.75

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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)
Non-Performing Assets (NPA)						
Substandard	Stage 3	957.42	608.71	348.71	72.97	535.74
Doubtful- up to 1 year	Stage 3	-	-	-	-	-
1-3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal of doubtful						
Loss	Stage 3	0.12	0.12	-	0.12	-
Subtotal of NPA		957.53	608.83	348.71	73.09	535.74
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total		37,546.64	647.39	36,899.24	159.06	592.75
	Stage 2	2,217.45	104.41	2,113.03		
	Stage 3	957.53	608.83	348.71	73.09	535.74
	Total	40,721.62	1,360.64	39,360.98	232.14	1,128.49

* Substandard assets provision as per IRACP norms is based on principal balance. Income which would have been derecognized in IRACP on substandard assets is ₹ 226.66 Crores.

61.7 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There is no overseas asset as at March 31, 2023.

61.8 Off-balance Sheet SPVs sponsored

There is no off-balance sheet SPVs sponsored by the Company during the year ended March 31, 2023.

61.9 Disclosures pursuant to RBI Notification – RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 06, 2020, and RBI/2021-22/31/DOR.STR.REC. 11/21.04.048/2021-22 dated May 05, 2021.

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) #	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans *	59.32	7.33	19.87	39.99	14.06
Corporate persons	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	59.32	7.33	19.87	39.99	14.06

* Represent Credit Card advances for RBI RE 1.0 and RBI RE 2.0

Status as of September 30, 2022

Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

61.10 Disclosure of Customer Complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	As at March 31, 2023	As at March 31, 2022
Complaints received by the NBFC from its customers			
1	Number of complaints pending at beginning of the year	8,983	12,150
2	Number of complaints received during the year	649,121	733,546
3	Number of complaints disposed during the year	654,880	736,713
3.1	Of which, number of complaints rejected by the NBFC	-	Not Applicable
4	Number of complaints pending at the end of the year	3,224	8,983
Maintainable complaints received by the NBFC from Office of Ombudsman			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	10,320	8,287
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	6,818	5,074
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	3,502	3,213
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	Not Applicable	Not Applicable
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	Not Applicable	Not Applicable

2) Ground 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					
New Accounts	347	154228	34%	302	37
Sales	1892	127057	-31%	204	0
Co-Brand Related	1992	99210	123%	391	0
Marketing	796	56127	-28%	299	0
Call Center	339	50514	6%	105	0
Others	3617	161985	-39%	1924	370
Total	8983	649121	-12%	3225	407
Previous Year					
New Accounts	1860	115166	8%	347	2
Sales	2522	184182	15%	1892	0
Co-Brand Related	703	44432	33%	1992	0
Marketing	1632	77463	9%	796	9
Call Center	509	47642	30%	339	1
Others	4,924	2,64,661	24%	3,617	525
Total	12150	733546	18%	8983	537

Gross inflow means any issue raised by our customers across channels and recognized and tagged as a complaint basis the initial voice of the customer.

For Ambani & Associates LLP
Chartered Accountants
FRN: 016923N

For Mahesh C Solanki & Co
Chartered Accountants
FRN: 006228C

For and on behalf of the Board of Directors

Hitesh Ambani
Partner
Membership No.: 506267

Rajat Jain
Partner
Membership No.: 413515

Rama Mohan Rao Amara
Managing Director & CEO
DIN: 08951394

Shrinivas Yeshwant Joshi
Independent Director
DIN: 05189697

Chief Financial Officer

Company Secretary

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

Place: Gurugram
Date: April 28, 2023

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBI CARDS AND PAYMENT SERVICES LIMITED FOR THE YEAR ENDED MARCH 31, 2023

The preparation of financial statements of SBI Cards and Payment Services Limited for the year ended March 31, 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013(Act) is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated April 28, 2023.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SBI Cards and Payment Services Limited for the year ended March 31, 2023 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors

and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

(S. Ahladini Panda)

Principal Director of Audit
(Industry & Corporate Affairs)
New Delhi

Place: New Delhi
Date: July 7, 2023



SBI Cards and Payment Services Limited

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