

July 18, 2024

**The BSE Limited**

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

SCRIP CODE: **543066**

SECURITY: **Equity Shares/Debentures**

**The National Stock Exchange of India Limited**

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

SYMBOL: **SBICARD**

SECURITY: **Equity Shares**

**Re: Submission pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Notice of the 26<sup>th</sup> Annual General Meeting and the Integrated Annual Report for the FY 2023-24**

Dear Sirs,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company for the Financial Year 2023-24 along with the Notice of the 26<sup>th</sup> Annual General Meeting scheduled to be held on Friday, August 9, 2024 at 11:00 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 Integrated Annual Report and the Notice of AGM is also being made available on the Company's website i.e. [www.sbicard.com](http://www.sbicard.com).

Kindly 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](mailto:customercare@sbicard.com)  
Website: [sbicard.com](http://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, 4<sup>th</sup> Floor, Aggarwal Millennium Tower E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi 110 034, India; Phone: +91 (11) 6126 8100

**Corporate Office:** 2<sup>nd</sup> 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 26<sup>th</sup> Annual General Meeting ('AGM') of the Members of **SBI CARDS AND PAYMENT SERVICES LIMITED** ('SBICPSL' or 'the Company') will be held on Friday, August 9, 2024 at 11:00 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, 2024, 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 2024-25.

#### 3. Confirmation of payment of the Interim Dividend for FY 2023-24

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, 2024, as declared by the Board of Directors.

### SPECIAL BUSINESS:

#### 4. 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 26<sup>th</sup> 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 26<sup>th</sup> 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."

**5. 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 26<sup>th</sup> 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 26<sup>th</sup> 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. Approval for continuation of Mr. Dinesh Khara (DIN: 06737041) as a Director of the Company**

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 17(1D) 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), the consent of the Members of the Company be and is hereby accorded for the continuation of Mr. Dinesh Khara (DIN: 06737041) nominee of State Bank of India, as the Non-Executive Director of the Company, whose office shall not be liable to retire by rotation.

**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 16, 2024  
Place: Gurugram

## NOTES:

1. The Ministry of Corporate Affairs, Government of India (the "MCA") vide its General Circular No. 09/2023 dated September 25, 2023 read together with General Circular No. 10/2022 dated December 28, 2022, 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/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023, 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 approval for continuation of Directorship 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, 2024 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 above mentioned Circulars, the Company will send the Integrated Annual Report for the financial year 2023- 24 and AGM notice in electronic form only. The Notice of AGM and Integrated Annual Report for the financial year 2023-24 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.nsd.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 12, 2024 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 Circulars & SEBI Circulars.
9. The remote e-voting period begins on Tuesday, August 6, 2024 at 10.00 A.M. (IST) and ends on Thursday, August 8, 2024 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., Friday, August 2, 2024, 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 cut-off 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 10.30 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, 2024. 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](http://www.sbicard.com)) and the website of NSDL ([www.evoting.nsdl.com](http://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 Integrated 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: +91 810 811 6767, Website: [www.linkintime.co.in](http://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 read with SEBI Circular dated September 26, 2023, November 17, 2023, December 27, 2023 and June 10, 2024 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](http://www.sbicard.com). Further, in respect of

shares held in electronic/demat form, the members may please contact their respective Depository Participant for PAN/KYC update and also comply with the SEBI Circulars to the extent applicable.

23. SEBI vide its Circular no. SEBI/HO/OIAE/OIAE\_IAD-1/P/CIR/2023/145 dated July 31, 2023 (Updated as on December 28, 2023) had issued "Master Circular for Online Resolution of Disputes in the Indian Securities Market". The said circular is available on the website of the Company at [www.sbicard.com](http://www.sbicard.com).
24. SEBI has launched its new Investor website at <https://investor.sebi.gov.in/>. The said website contains information on personal finance and investment useful for existing and new investors. It also includes videos prepared by MIIIs related to securities market process education and awareness messages. The SEBI Investor website promotes confident and informed participation by investors in the securities market.

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

The remote e-voting period begins on **Tuesday, August 6, 2024 at 10.00 A.M. (IST)** and ends on **Thursday, August 8, 2024 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. **Friday August 2, 2024**, 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 Friday, August 2, 2024.

#### **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
<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b>.</p>	<ol style="list-style-type: none"> <li>Existing <b>IDEAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDEAS</b>’ 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 “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDEAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDEAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;"> <p><b>NSDL Mobile App is available on</b></p>    </div>
<p>Individual Shareholders holding securities in demat mode with <b>CDSL</b></p>	<ol style="list-style-type: none"> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>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 &amp; 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.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<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 &amp; 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 <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> 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?**

- i. 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.
- ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders/ Member’ section.
- iii. 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](http://www.evoting.nsdl.com).
  - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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.com](mailto:evoting@nsdl.com) 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.
- ix. 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.com](mailto:evoting@nsdl.com).

- 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](http://www.evoting.nsdl.com) or contact NSDL or call on : 022 - 4886 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 [vkpc@gmail.com](mailto:vkpc@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com).

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](http://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](http://www.evoting.nsdl.com) or call on 022 - 4886 7000 or send a request at [evoting@nsdl.com](mailto:evoting@nsdl.com) or contact Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited, Trade World, ‘A’ Wing, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the email id – [evoting@nsdl.com](mailto:evoting@nsdl.com) 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 & 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](mailto: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.com 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://liiplweb.linkintime.co.in/EmailReg/Email\\_Register.html](https://liiplweb.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 Integrated Annual Report for the financial year 2023-24 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](mailto:rnt.helpdesk@linkintime.co.in) & for e-voting related queries you may write to NSDL at [evoting@nsdl.com](mailto:evoting@nsdl.com).

##### **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

#### 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 25<sup>th</sup> Annual General Meeting held on August 9, 2023, 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) from the date of the 25<sup>th</sup> Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months.

Since the approval as mentioned above is valid upto the date of the 26<sup>th</sup> annual general meeting of the Company 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 26<sup>th</sup> 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 and otherwise. In the financial year 2023-24, 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 2024-25 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 Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities dated July 11, 2023, 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	(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.
2.	Name of the related party	State Bank of India (SBI)
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 26 <sup>th</sup> 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 2024-25 is expected to be ~ ₹ 28,000 Crore.  The amount mentioned above includes limits ~ ₹ 27,088 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 2025-26.
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 2024-25 is 160.15% of the annual turnover of the Company for the FY 2023-24.
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 & 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. 4 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. 4. The Board of Directors at its meeting held on July 16, 2024 recommended the passing of the resolutions set-out under Item No. 4 of the Notice as an Ordinary Resolution.

## ITEM NO. 5

### 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 25<sup>th</sup> Annual General Meeting held on August 9, 2023, 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) from the date of the 25<sup>th</sup> Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months.

Since the approval as mentioned above is valid upto the date of the 26<sup>th</sup> annual general meeting of the Company 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 26<sup>th</sup> 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 and otherwise. The transactions with SBI CAP have been continued so far in the financial year 2024-25 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 Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities dated July 11, 2023, 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
	<ul style="list-style-type: none"> <li>i. Capital/debt market services</li> <li>ii. Corporate Credit Card facility/Loans and Advances</li> <li>iii. Borrowings/Investments/Debentures</li> <li>iv. and other transactions as may be disclosed in the notes forming part of the financial statements for the relevant period</li> </ul>
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 being 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 26 <sup>th</sup> 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 2024-25 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 2025-26.
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 2024-25 is 11.73% of the annual turnover of the Company for the FY 2023-24.
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>
	<ul style="list-style-type: none"> <li>i. Details of the source of funds in connection with the proposed transaction;</li> <li>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;</li> <li>iii. Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security;</li> <li>iv. Purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT</li> </ul>
	<ul style="list-style-type: none"> <li>The Company being a listed NBFCs, disclosure of source of fund is Not Applicable.</li> <li>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.</li> <li>Corporate Credit Card facility is provided as per the Standard Terms &amp; condition of credit card usage. Further, the same is unsecured.</li> <li>Credit Card usage.</li> </ul>
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. 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/ 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. 5. The Board of Directors at its meeting held on July 16, 2024 recommended the passing of the resolutions set-out under Item No. 5 of the Notice as an Ordinary Resolution.

## ITEM NO. 6

### **Approval for continuation of Mr. Dinesh Khara (DIN: 06737041) as a Director of the Company**

Pursuant to Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2014, with effect from April 1, 2024, the continuation of a director serving on the board of directors of a listed entity shall be subject to the approval by the shareholders in a general meeting at least once in every five years from the date of their appointment or reappointment, as the case may be. Provided that the continuation of the director serving on the board of directors of a listed entity as on March 31, 2024, without the approval of the shareholders for the last five years or more shall be subject to the approval of shareholders in the first general meeting to be held after March 31, 2024.

Mr. Dinesh Khara, (DIN: 06737041) Chairman, Non-Executive Director (Nominee of State Bank of India) is on the Board of SBI Cards and Payment Services Limited w.e.f. November 1, 2016 and is serving as the Chairman of the Company w.e.f. October 2020. Pursuant to the applicable laws/statutory provisions prevalent at that time, the matter pertaining to his appointment as Director did not require approval of the shareholders. Further, pursuant to the Section 35A of the State Bank of India Act, 1955 and the Articles of Association of the Company, a director nominated by the State Bank of India is not liable to retire by rotation. Accordingly, pursuant to Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2014, the approval of the members of the Company is being sought for continuation of Mr. Dinesh Khara (DIN: 06737041) as a Director of the Company.

In view of the above and after considering the performance of Mr. Khara over the past years and on recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on July 16, 2024 considered that the continuation of Mr. Khara on the Board of Directors will be in the best interest of the Company and approved the continuation of Mr. Dinesh Khara, Chairman (DIN: 06737041) as a Non-Executive Director (Nominee of State Bank of India) of the Company, subject to approval of the Members. Mr. Khara is not debarred from holding the office of director pursuant to any SEBI Order or any other such authority. He holds necessary qualification, experience, eligibility and expertise as per the Nomination and Remuneration Policy of the Company. Further, pursuant to Section 35A of the SBI Act and the Articles of Association of the Company, Mr. Dinesh Khara is not liable to retire by rotation.

Additional information in respect of Mr. Dinesh Khara, 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. 6 for approval of the Members by way of Ordinary Resolution.

None of the Directors, Manager, Key Managerial Personnel and their relatives except Mr. Dinesh Khara and his relatives are concerned or interested, financially or otherwise, in the proposed resolution. SBI is interested in this resolution as Mr. Dinesh Khara is nominated by SBI.

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

Date: July 16, 2024  
Place: Gurugram

**Payal Mittal Chhabra**  
Company Secretary and  
Compliance Officer

## ANNEXURE – A

### Details of Director seeking approval for continuation of directorship.

#### 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 approval for continuation of directorship.

Particulars	Mr. Dinesh Khara
Date of Birth	28-08-1961
Age	62 years
Date of first appointment on the Board	November 1, 2016
Qualifications	Postgraduate in commerce from Delhi School of Economics; MBA from FMS, New Delhi
Brief Resume	“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.”
Expertise in specific functional areas and experience	
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.
Shareholding	Nil
Relationship with Directors, Managers & KMP	Nil
Directorships held in other companies (including Listed Companies)	<ol style="list-style-type: none"> <li>1. State Bank of India</li> <li>2. SBI Life Insurance Company Limited</li> <li>3. SBI General Insurance Company Limited</li> <li>4. SBI Funds Management Limited</li> <li>5. SBI Capital Markets Limited</li> <li>6. SBICAP Ventures Limited</li> <li>7. State Bank Operations Support Services Private Limited</li> <li>8. SBI Foundation</li> <li>9. Indian Institute of Banking and Finance</li> </ol>
Memberships/ Chairmanships of committees of other companies	<p><b>State Bank of India</b></p> <ul style="list-style-type: none"> <li>• Executive Committee of the Central Board – <i>Chairman</i></li> <li>• Board Committee to Monitor Recovery (BCMR) – <i>Chairman</i></li> </ul>
Listed entities from which the person has resigned in the past three years	Nil
Remuneration last drawn	Nil
Number of meetings of the Board attended during the year i.e. FY 2023-24	11
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"> <li>• Industry Knowledge/Experience,</li> <li>• Technical Skills/Experience,</li> <li>• Governance Competencies.</li> </ul> <p>Mr. Khara fulfills the abovementioned 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>





 **SBI card**

Designed for  
**CONVENIENCE**  
Reinforced by  
**TRUST**

**SBI CARDS AND PAYMENT SERVICES LIMITED**

**Integrated Annual Report 2023-24**



Designed for  
**CONVENIENCE**  
Reinforced by  
**TRUST**

Our motto 'Make Life Simple' inspires every initiative, ensuring that customer convenience is at the forefront of all that we do. This commitment is paired with our legacy of stakeholder trust – a trust we deeply value and continuously strive to strengthen through responsible and ethical practices.

Designed to meet the evolving financial needs of our customers, our innovative offerings are at the heart of our success. Bolstered with industry-first features, strong partnerships with renowned brands, and value-driven offers, our diversified product portfolio empowers both everyday and aspirational spending, making a significant impact on lives.

A seamless digital journey is our hallmark. From smooth, secure enrolment processes to delightful, timely services, we deliver customer-centricity by leveraging advanced technologies. Integrations with platforms like UPI enhance the ease and efficiency of our payment services, while partnerships with major card networks extend our reach.

Trust is the cornerstone of our operations. We are dedicated to protecting personal data, ensuring fair fees, and addressing concerns proactively. Beyond serving customers, we prioritise environmental, social, and governance performance, ensuring our operations are compliant, secure, and sustainable.

With a relentless focus on driving convenience/value and reinforcing the trust placed in us by millions, we are poised to shape an exciting future for all stakeholders. Join us as we script the next chapter of our glorious journey.





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# About the Report

We are pleased to present our maiden Integrated Report <IR> for FY 2023-24. This report serves as a key communication document intended for all our stakeholders. It provides comprehensive insights into our operational and financial performance, as well as its impact on our strategic objectives and our ability to generate sustainable value. We are committed to continually enhancing this report by incorporating additional elements in the future, maintaining our dedication to building trust and fostering transparency with all our stakeholders.

## REPORTING APPROACH

During FY 2023-24, SBI Cards and Payment Services Limited (referred to as 'our', 'us', 'we' or 'Company') made a proactive decision to adopt Integrated Reporting <IR>. Through this report, we aim to offer stakeholders comprehensive insight into our integrated value-creation process, rooted in the six capitals framework aligned with the principles established by the International Integrated Reporting Council (IIRC). These capitals span both financial and non-financial dimensions, comprising Financial, Service, Intellectual, Human, Social & Relationship, and Natural Capital.

## REPORTING PRINCIPLES AND FRAMEWORK

The financial information presented in this report is in line with the requirements of:

- The Companies Act, 2013 (including the rules made thereunder)
- The Companies (Accounts) Rules, 2014
- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The report has been prepared in line with the <IR> framework prescribed by the International Integrated Reporting Council (IIRC), referencing the Global Reporting Index (GRI) and the United Nations Sustainable Development Goals (UN SDGs).

## ASSURANCE STATEMENT

SBI Card underwent a thorough internal validation process during the development of this Report to ensure the quality and reliability of the information disclosed herein. SGS India Private limited, an independent external assurance provider, has assured the BRSR Core Indicators (KPIs), in accordance with reasonable assurance requirements based on ISAE 3000 Assurance standards. The assurance statement forms a part of this report.



**Scan QR code to download**  
SBI Cards and Payment Services Limited  
Integrated Annual Report 2023-24

## REPORTING SCOPE AND BOUNDARY

The report contains information solely concerning the operations of SBI Cards and Payment Services Limited, unless explicitly stated otherwise.

## REPORTING PERIOD

The reporting period for this Integrated Report is April 1, 2023, to March 31, 2024.

## OUR CAPITALS





**Forward-looking statement**

Certain statements in the Report regarding our business operations may constitute forward-looking statements. While these statements reflect our future expectations, it's crucial to recognise that various risks, uncertainties, and other significant factors could lead to actual results differing materially from our expectations.

**SBI Card At a Glance**

# A Pure-Play of Excellence

With trust, safety, and transparency at the core of our operations, our customer-centric approach has established us as a leading player in India’s credit card industry.

Established in 1998, SBI Cards and Payment Services Limited, a subsidiary of the State Bank of India (SBI), is India’s largest pure-play credit card issuer. Our relentless pursuit of excellence across all facets of operations has been a key driver of our success, giving us a robust customer base from the early stages of our journey, which continues to grow.

We offer a diverse range of innovative products and services to fulfil our customers’ evolving spending requirements. Our commitment to delivering value to customers is rooted in our trifold corporate ethos – Purpose, Passion, and Innovation.

We have 1.89 crore cards in force as of March 31, 2024, making us the largest pure-play credit card issuer in India. As of FY 2023-24, we are also the second-largest credit card company in the country, in terms of both spends and the number of cards.

SBI Card is headquartered in Gurugram, Haryana. Our team, comprising over 3,800 employees, remains dedicated to providing world-class financial services to our customers while creating sustainable value for all our stakeholders.



OUR VALUE-CREATION FUNDAMENTALS



**Purpose**

Safeguarding the trust of the stakeholders bestowed upon us with utmost transparency, responsibility, and ethical conduct



**Passion**

Maintaining the market leadership position achieved through constant value creation and delivery



**Innovation**

Delivering products and services to the customers tailored to their requirements

OUR PRODUCT PORTFOLIO

We offer cards across all major networks and have undertaken significant advancements in our payment services by seamlessly integrating payment technology platforms such as UPI into our systems. These enhancements have empowered our customer base with greater convenience and efficiency in their payment experiences.

KEY HIGHLIGHTS OF FY 2023-24

**1.89 crore**

Cards in force

**₹184 k**

Average spend per card

**18.6%**

Market share of cards in force in FY 2023-24\*

**43.6 lakh**

New accounts opened in FY 2023-24

OUR 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.



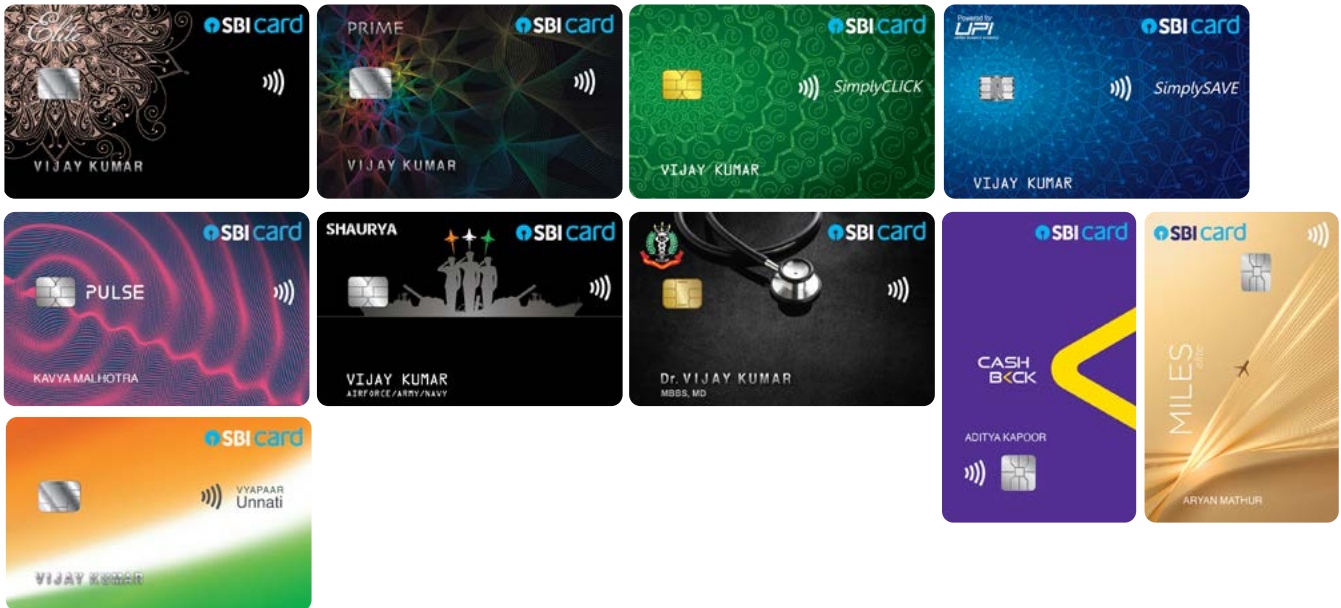
\* According to RBI data

PRODUCT HIGHLIGHTS

SUPER PREMIUM CARDS



CORE CARDS



CO-BRAND CARDS

Bankings



Retail





### Travel & Fuel

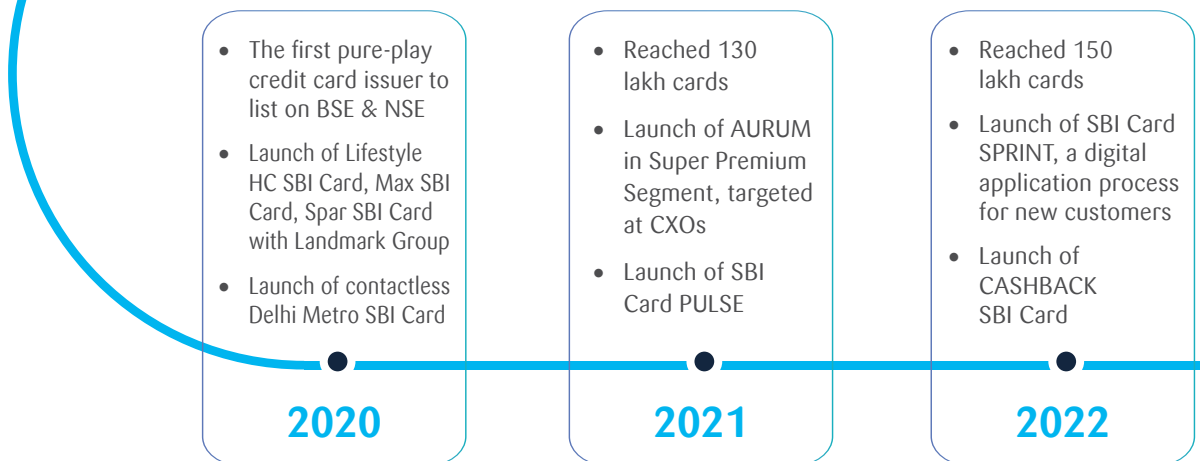
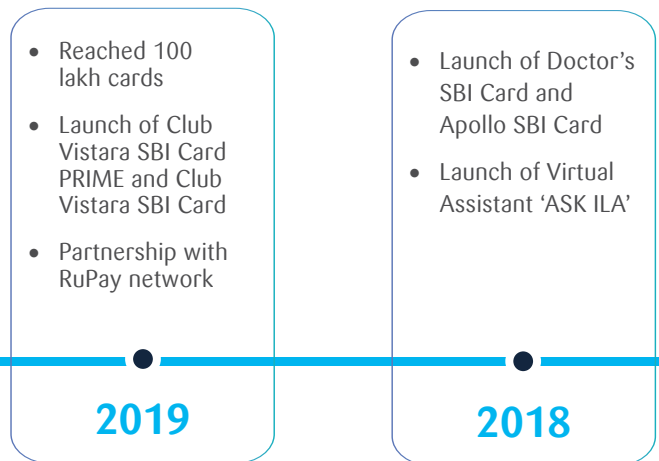
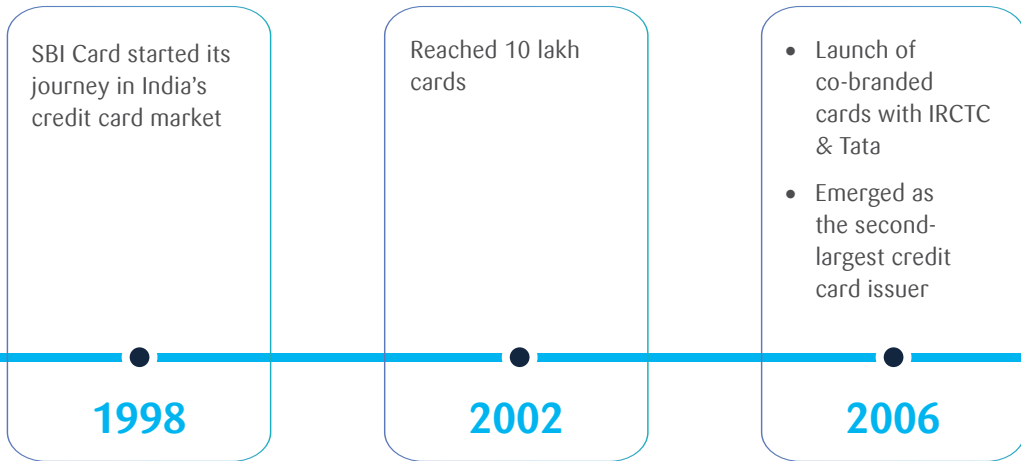


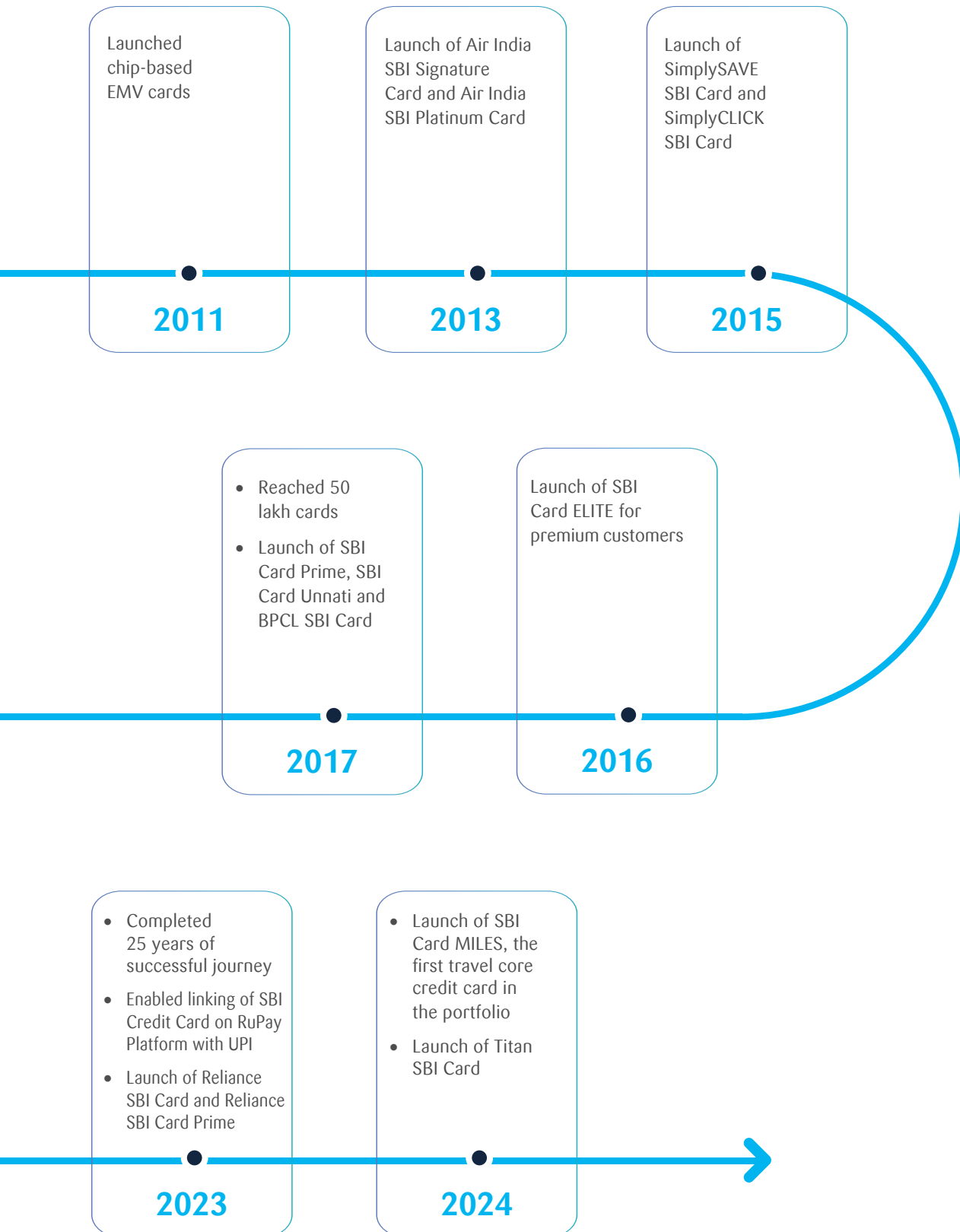
### CORPORATE CARDS



## Key Milestones

# Timeline Briefs







**Dinesh Khara**  
Chairman

## Chairman's Message

### DEAR SHAREHOLDERS,

We are pleased to present to you the inaugural Integrated Report of SBI Card for FY 2023-24, a culmination of our earnest efforts to provide a comprehensive insight into all aspects of SBI Card. During FY 2023-24, your company has traversed significant milestones in enhancing reporting disclosures. This report is a testament to our commitment to stakeholders, marking a pivotal moment in our journey towards transparency and accountability.

This year, we amplify our message with clarity and resonance under the theme "**Designed for Convenience. Reinforced by Trust**". Our journey revolves around placing customer trust at the nucleus of our endeavours. Over the years, your company tailored its products and services to cater to the evolving needs of our customers, prioritising convenience, adaptability, and relevance. SBI Card's forte lies in leveraging the synergy between finance and technology to deliver unparalleled value to end-users.

### MOMENTUM OF SUCCESS

Our sustained success is evidenced by our standing as India's second-largest credit card provider, reinforced by our position as the country's second-largest in credit card spends as well in FY 2023-24. Building upon this momentum, we remain focussed on expanding our offerings through innovation, technology, and best-in-class capabilities. Our goal is to create deeper connect

with our customers and key stakeholders, thereby, furthering the brand's legacy as well as ensuring your company's long-term growth by leveraging India's consumption-led economic landscape.

The upward trajectory of the credit card sector has provided your company with the impetus to expand substantially in recent times. Credit cards have transcended their traditional role as mere payment tools to become enablers of credit convenience, payments flexibility, rewards, and lifestyle benefits. India's rapid urbanisation and digitisation have propelled the credit card sector into an era of unprecedented growth and the momentum is likely to be sustained in the future.

### INNOVATING FOR THE FUTURE

Turning to organisational advancements, your company has achieved commendable growth in cards in force (CIF) base, boasting a Compound Annual Growth Rate (CAGR) of 15.7% over the last four years. Concurrently, overall spends have demonstrated a robust CAGR of 26% during the last four years. Central to our product development strategy is the prioritisation of customer convenience. To this end, your company has introduced the functionality of Unified Payments Interface (UPI) on SBI Card-issued RuPay credit cards. This strategic move enables us to leverage the widespread popularity of UPI in digital payments, further propelling our growth trajectory.

Our SBI Card SPRINT platform is another excellent example of our customer-centricity. It enables interested individuals to apply for SBI credit cards digitally in just a few minutes. We have been strengthening this acquisition channel and in FY 2024, we have extended SBI Card SPRINT to YONO and internet banking of SBI too.

The efficacy of our endeavours is affirmed by the accolades that we have earned in the industry. During the reporting period, we have been honoured as a “Superbrand for the year 2023” in the credit card category for the second consecutive year. Furthermore, we have been bestowed with the “DSCI Excellence Award” in the category of best security practices in the non-banking finance sector. This recognition underscores our relentless pursuit of enhancing information security at the enterprise level.

### COMMITMENT TO COMMUNITY

Beyond our corporate responsibilities, we acknowledge our commitments to the communities that grant us the privilege to operate. Recognising them as integral stakeholders, your company has curated initiatives to foster positive impact on their lives. Our efforts are aligned with our Environmental, Social, and Governance (ESG) principles, wherein we proactively mitigate our carbon footprint and contribute positively to society. Through our Impact 360 programme, we integrate these principles into our operations. Our focus areas include climate change, waste reduction & recycling, inclusion & diversity, consumer financial protection, responsible digitalisation, and data privacy & security among others.

Further, our CSR initiatives under SBI Card ‘Pehel’ programme are spread across five themes – Healthcare, Education, Skill Development, Environment, and Rural Development. In FY 2023-24, we have undertaken initiatives to scale up our Flagship project in new geographies for effective waste management, rainwater harvesting and afforestation initiatives, established Mother & Child hospital in Uttarakhand, upgradation of Government health & wellness centres, skill development initiative focussing on differently abled individuals, women and youth in multiple domains, school infrastructure and technology support, STEM education, holistic development of village among others. Our value-driven engagement with communities is exemplified by your company being honoured with “Golden Peacock Award” for corporate social responsibility (CSR) and “Best CSR Excellence Award” in healthcare by ASSOCHAM in their healthcare summit. These accolades affirm our dedication to making a meaningful difference in the lives of those we serve.

## Our measured response to the dynamic operating landscape, agility in addressing ever-evolving customer needs, innovation in product development and solutions, are some key interwoven facets that define SBI Card.

### GOVERNANCE WITH INTEGRITY

All our initiatives are thoroughly guided, measured, and diligently implemented throughout the organisation by our robust governance framework. This framework not only ensures continuous engagement with stakeholders to identify and address their concerns but also facilitates comprehensive risk management to safeguard your company's momentum amidst any challenging circumstances. This underscores the strength of our organisational culture, a key differentiator in the market.

### EXCELLENCE EMBEDDED

Our measured response to the dynamic operating landscape, agility in addressing ever-evolving customer needs, innovation in product development and solutions, are some key interwoven facets that make SBI Card a revered organisation in India. These attributes have been cultivated over time through our experience and inherent knowledge of the industry and India's fast-evolving consumer market. They have contributed significantly to our already strong brand recall and market standing, reflecting the trust bestowed upon us by our stakeholders. Your company remains committed to meeting and exceeding their expectations.

In this regard, I extend my heartfelt gratitude to the Board, our dedicated team whose efforts have led to the success of our initiatives, and our stakeholders who have supported us, contributing to strengthening of SBI Card's stature in the industry.

Warm regards,

**Dinesh Khara**  
Chairman



**Abhijit Chakravorty**  
Managing Director & CEO

## MD & CEO's Message

### Dear Shareholders,

SBI Card marked another successful term in FY 2023-24. It was a year of significance as we celebrated 25 years of prosperous journey through the Indian credit card market. Throughout this period, we have consistently established new standards and reached fresh milestones annually. This growth trajectory remains persistent, which is evident in our robust business performance.

The buoyant economic landscape, increasing digital payments adoption and usage, evolving behaviour of consumers, inclination towards aspirational spends, and improving infrastructure have been some of the factors contributing to the consistent performance during the last few years. By virtue of its inherent strengths, SBI Card has been well-equipped to leverage them to its advantage.

### OPERATING LANDSCAPE

FY 2023-24 in many ways has been an extraordinary year for India's economy. The growth momentum has been strong and has surpassed all projections. As per the Government data, the second advanced estimates of real GDP growth stand at 8.2% for FY 2023-24. The IIP cumulative growth rate for the period of April-March 2023-24 over the corresponding period of the previous year stood at 5.8 per cent\*. India has not only emerged stronger amidst the doldrums of the past few years, experienced globally, but has become one of the fastest growing economies across the world.

India's sizeable domestic market and rising incomes have also contributed to sustain this growth momentum. According to a recent industry report\*\*, the country is set to become the third-largest consumer market by 2026. And with the expanding digital economy, the Indian market presents promising growth to many consumer-centric products. This also bodes well for

the Indian credit card market. The outstanding credit cards crossed 100-million mark during the year. It has also been the year during which the industry achieved the highest-ever card spends. In FY 2023-24, total card spends has been at ₹ 18.26 trillion#.

### CUSTOMER-CENTRICITY DEFINING EVERY MOVE

Our motto of Make Life Simple revolves around our commitment to cater to the changing needs of our customers by bringing convenience, ease, and security to their payments experience. From products to technology to services, we have ensured that customer experience always remains the priority.

In FY 2023-24 too, we have continued our approach of harnessing partnerships with industry-leading brands to seamlessly offer our enhanced and tailored offerings to our customers. One of the key product launches this year has been Reliance SBI Card, introduced in collaboration with Reliance Retail, India's largest retailer. Crafted to cater to a diverse range of customers, from mass to premium segments, the Reliance SBI Card stands as a testament to our commitment to meeting varied consumer needs.

Expanding our repertoire further, we have also introduced Titan SBI Card in collaboration with Titan Company Limited, a key player in jewellery, watches, eyewear, and ethnic wear segments. This card has been tailored to address the aspirational spendings of consumers.

Our unique alliances and partnerships with renowned brands also extend to offers that we bring to our customers throughout the year. For instance, during the festive season in FY 2023-24, we rolled out approximately 2,200+ offers across 2,700 cities, enhancing the festive experience for our customers. Be it national, regional, or hyperlocal, our offers transcend varied customer segments and geographies.

\*[https://economictimes.indiatimes.com/news/economy/indicators/indias-industrial-production-output-grows-4-9-in-march-2024/articleshow/110010390.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/economy/indicators/indias-industrial-production-output-grows-4-9-in-march-2024/articleshow/110010390.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

\*\*<https://www.moneycontrol.com/news/business/markets/india-to-outgrow-germany-japan-to-be-3rd-largest-consumer-market-by-2026-ubs-12717303.html>

#[https://www.business-standard.com/finance/news/credit-card-spends-rise-27-to-rs-18-26-trillion-in-fy24-rbi-data-124042400949\\_1.html](https://www.business-standard.com/finance/news/credit-card-spends-rise-27-to-rs-18-26-trillion-in-fy24-rbi-data-124042400949_1.html)

Technology is one of the key tools to ensure continued enhancement of the customer experience that we offer through refinement and addition of features and service capabilities. The strong focus on technology helps us in driving operational excellence through achieving higher efficiency, seamless performance, and cost optimisation.

Our end-to-end digital application platform, SBI Card SPRINT, is one such key initiative towards delivering customer convenience and strengthening digital acquisition capabilities. The platform has been designed with an intent to offer seamless, swift, and secure way to apply for the SBI credit card, anywhere and anytime. During FY 2023-24, we have extended the SPRINT platform to YONO app of State Bank of India. This integration has enabled customers of SBI to apply for SBI Card on YONO for a straight-through digital experience. Another important initiative has been the introduction of UPI functionality which enables SBI Card users with RuPay cards to make transactions using UPI-enabled apps. Our monthly average UPI spends per active account has increased to around ₹ 12,500 in FY 2023-24. The customers of Tier II and beyond cities are using this facility more than the ones in Tier I cities as it further increases the number of acceptance points for RuPay cards.

In addition to reinforcing our digital security protocols, we have harnessed the potential of Artificial Intelligence (AI) and Robotic Process Automation (RPA) in a variety of initiatives that include forecasting payment behaviours, optimising workforce allocation, and automated fraud alert curing. This has not only enhanced our operational effectiveness but has also ensured the delivery of a best-in-class experience to our customers.

Our endeavour has always been to keep strengthening the information security posture with enhanced security controls and practices. We have upgraded our PCI DSS accreditation to the latest standard, that is PCI DSS version 4.0. Considering the ever-evolving digital landscape, we continue to invest and enhance our cybersecurity framework to improve our cyber resilience and bring agility in business decisioning.

### OUR COMMITMENT TO ENVIRONMENTAL, SOCIAL, AND GOVERNANCE EXCELLENCE

We are pleased to report significant ESG strides in our business strategy, aiming for sustainability. This year, we cut Scope 2 emissions by 47% from 2019 levels, we have increased eco-friendly plastic cards to 8% of our portfolio, and digitised 81% of our welcome kits, thus reducing paper use. We have improved workplace diversity, with women now being 27.74% of our workforce, and we support disability inclusion. At SBI Card, we understand that the journey towards ESG excellence is ongoing, and we remain dedicated to upholding the highest standards of anti-corruption, human rights, equal opportunity and ethical practices for all, including LGBTQ+ individuals and persons with disabilities. We have taken measures to enhance data security with PCI-DSS 4.0 standards and are working with suppliers for a sustainable supply chain. Our plans to tie executive pay to ESG performance underscore our dedication to responsible business and long-term value.

We will continue to integrate ESG considerations into every aspect of our operations, setting new benchmarks for responsible business operations.

### GROWTH IN NUMBERS

During FY 2023-24, we have successfully maintained a rate of around 1 million new accounts every quarter and added 4.4 MM new cards, while continuing to focus on new accounts sourcing quality. Our cards in force have grown at 13% YoY

in FY 2023-24 and as of March 31, 2024 stand at 18.9 MM. We continue to be the second-largest credit card issuer in the country and our CIF market share has been at 18.6% in FY 2023-24. Our card spends have also grown to ₹ 3.3 lakh crore during the fiscal year. Importantly, our retail spends have seen a strong 27% YoY increase, having reached at ₹ 2.6 lakh crore. We have also continued to maintain number two position in the market with 17.8% share in spends in FY 2023-24. Our 30-day spend active rate has been fantastic at 50% across all quarters of the fiscal year.

Our robust business performance in FY 2023-24 has reflected well on our financial growth. The revenue increase has set a new benchmark in growing up to ₹ 17,484 crore with 22% YoY growth. As a result of strong spends growth, our receivables have increased with a 25% YoY growth, standing at ₹ 50,846 crore. We have been focussing on strengthening our overall interest earning receivables and the share of interest earning receivables has been stable at 61%.

As our numbers speak, we continue to be a profitable company, achieving a PAT of ₹ 2,408 crore with 7% YoY growth in FY 2023-24. With ROAE at 21.7% and ROAA at 4.7% in FY 2023-24, SBI Card has been delivering healthy returns to its shareholders.

### FUTURE-READY

In the last few years, credit cards and payments industry has acquired a renewed dynamism. From technology innovations to consumer preferences and expectations to fast-changing market dynamics, the landscape has been expanding and evolving. This has given birth to many new possibilities, current and future. Amidst this, SBI Card stands at a vantage point with a strong position in the market. Our optimism emanates from our valuable experience earned through two and a half decades of navigating the Indian market, dedicated focus on our core business of credit cards, diversified portfolio, strong parentage, technology-focussed approach, and advanced risk management and data analytics capabilities. Combinedly, these give us a unique ability to pave a successful path in the Indian credit cards and payments market.

As we move through the ever-evolving landscape of the financial services sector, your partnership remains invaluable. Together, we are primed to yield exceptional returns on equity and generate substantial value.

As we draw the curtains on another remarkable period of growth and achievement, I extend my heartfelt gratitude to our esteemed stakeholders. Your support and trust have been the bedrock of our success. Together, we have navigated market transformations and leveraged opportunities, propelling us towards new heights of excellence. Your invaluable partnership has been instrumental in shaping our journey and reinforcing our commitment to delivering value and innovation.

As we look ahead, let us proceed with renewed vigour and determination, inspired by the possibilities that lie ahead.

Thank you for your continued belief in our vision and commitment to excellence.

With best wishes,

**Abhijit Chakravorty**  
Managing Director & CEO

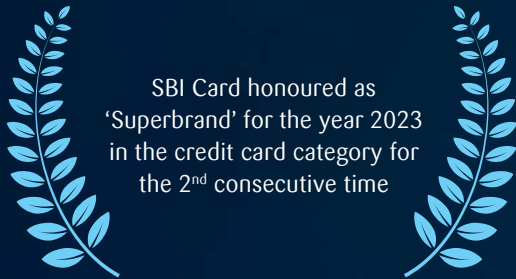
# Awards & Accolades



SBI Card has won 'Golden Peacock Award' for Corporate Social Responsibility in the financial services category for FY 2023



SBI Card awarded with "DSCI Excellence Award" 2023 for 'Best Security Practices'



SBI Card honoured as 'Superbrand' for the year 2023 in the credit card category for the 2<sup>nd</sup> consecutive time



SBI Card won Best CSR Excellence Award in Healthcare 2<sup>nd</sup> Edition of Healthcare at Summit and Awards by ASSOCHAM



SBI Card has won Silver Award in CSR Waste Management Project and Bronze Award in CSR Clean Energy Project



SBI Card has been bestowed with the 'Best Business Eco-Friendly Award' at the Global Summit on Sustainability





SBI Card has been awarded with LearnX Award (Gold category) for the Best Learning & Talent Tech - Best Mobile App



SBI Card clinched another global recognition with Bradon Hall Awards (Bronze category) for the Best Advance in Mobile Learning Technology in the L&D category



SBI Card's Annual Report 2022-23 won the Gold Award at the LACP Spotlight Awards 2023

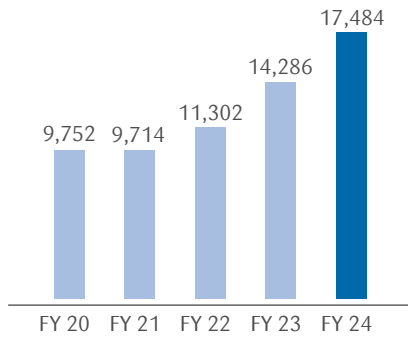


# Performance Highlights

## FINANCIAL KPIs

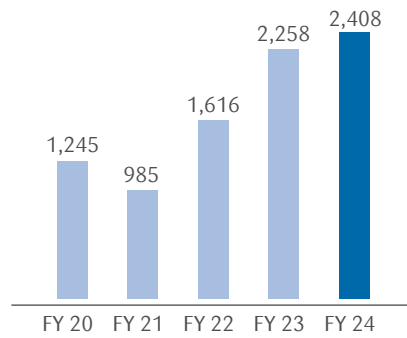
**Total income** (₹ crore)

YoY **↑ 22%**



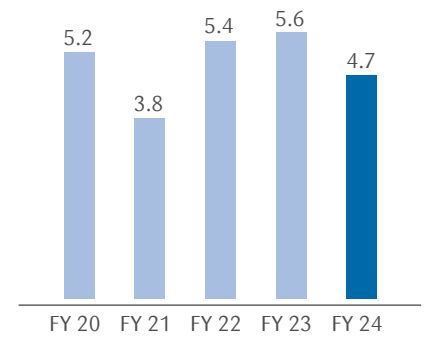
**PAT** (₹ crore)

YoY **↑ 7%**



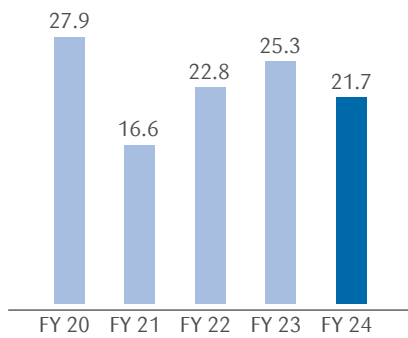
**Return on Average Assets** (%)

YoY **↓ 93 bps**



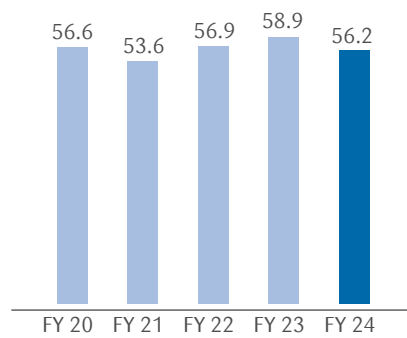
**Return on Average Equity** (%)

YoY **↓ 354 bps**



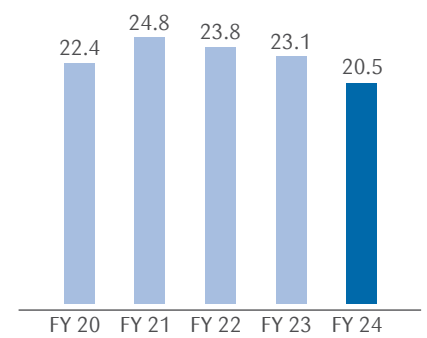
**Cost to Income** (%)

YoY **↓ 272 bps**



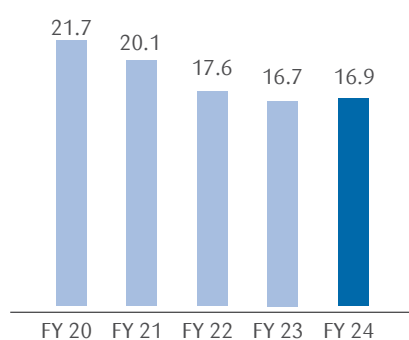
**CAR** (%)

YoY **↓ 257 bps**



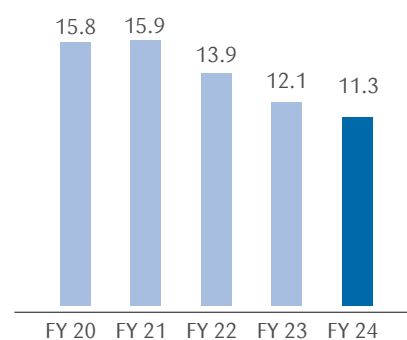
**Interest Income Yield** (%)

YoY **↑ 27 bps**



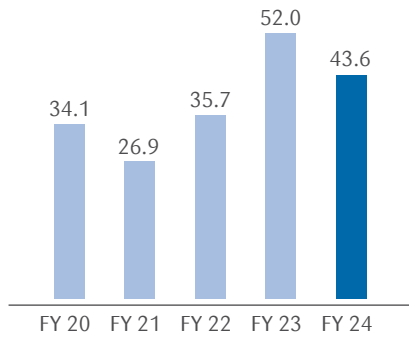
**Net Interest Margin** (%)

YoY **↓ 87 bps**



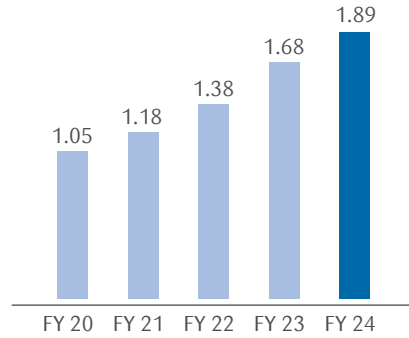
**New Accounts** (Lakh)

YoY **↓ 16%**



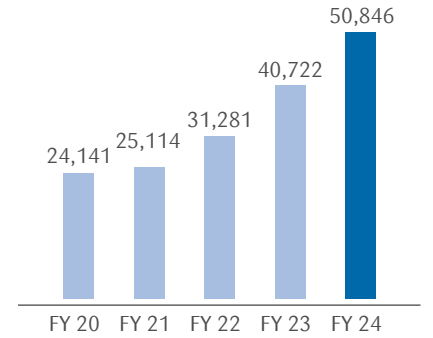
**CIF** (crore)

YoY **↑ 13%**



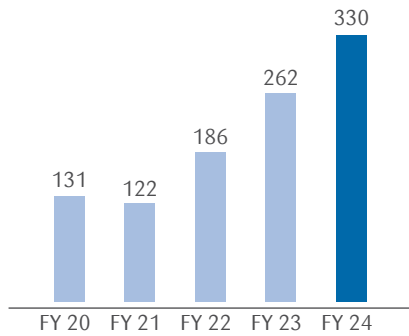
**Receivables** (₹ crore)

YoY **↑ 25%**



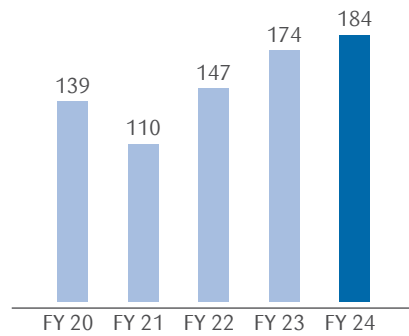
**Spends** (₹ '000 crore)

YoY **↑ 26%**



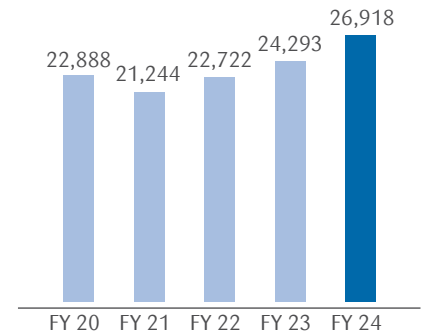
**Average Spend Per Card** (₹ '000)

YoY **↑ 6%**



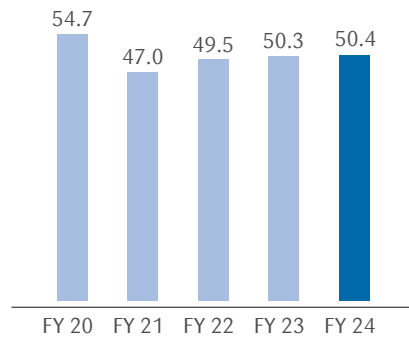
**Average Receivable Per Card** (₹)

YoY **↑ 11%**



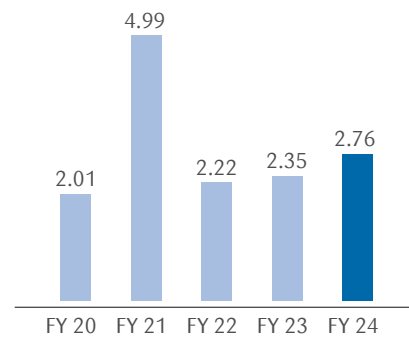
**30-Day Active** (%)

YoY **↑ 10 bps**



**Gross Non-Performing Asset** (%)

YoY **↑ 41 bps**



# Our Impact Figures



## ORGANISATIONAL

**The largest**

Pure-play credit card issuer

**Second-largest**

Credit card player

**227**

Sourcing locations



## OPERATIONAL

**43.6 lakh**

New accounts added in FY 2023-24

**1.89 crore**

Total Cards in Force (CIF), making us the second-largest, with a market share of 18.6%



## PEOPLE

**3,829**

Permanent Employees as of March 31, 2024

**27.74%**

Women in permanent employees

**~39%**

Women employees including permanent & other than permanent employees





**SOCIAL**

**₹ 43.74 crore**

Total CSR commitment made in FY 2023-24

**61,469 lives**

Impacted through education and skill development initiatives

**1,18,913 lives**

Impacted through healthcare and disaster management projects



**ENVIRONMENTAL**

**6,71,146 trees**

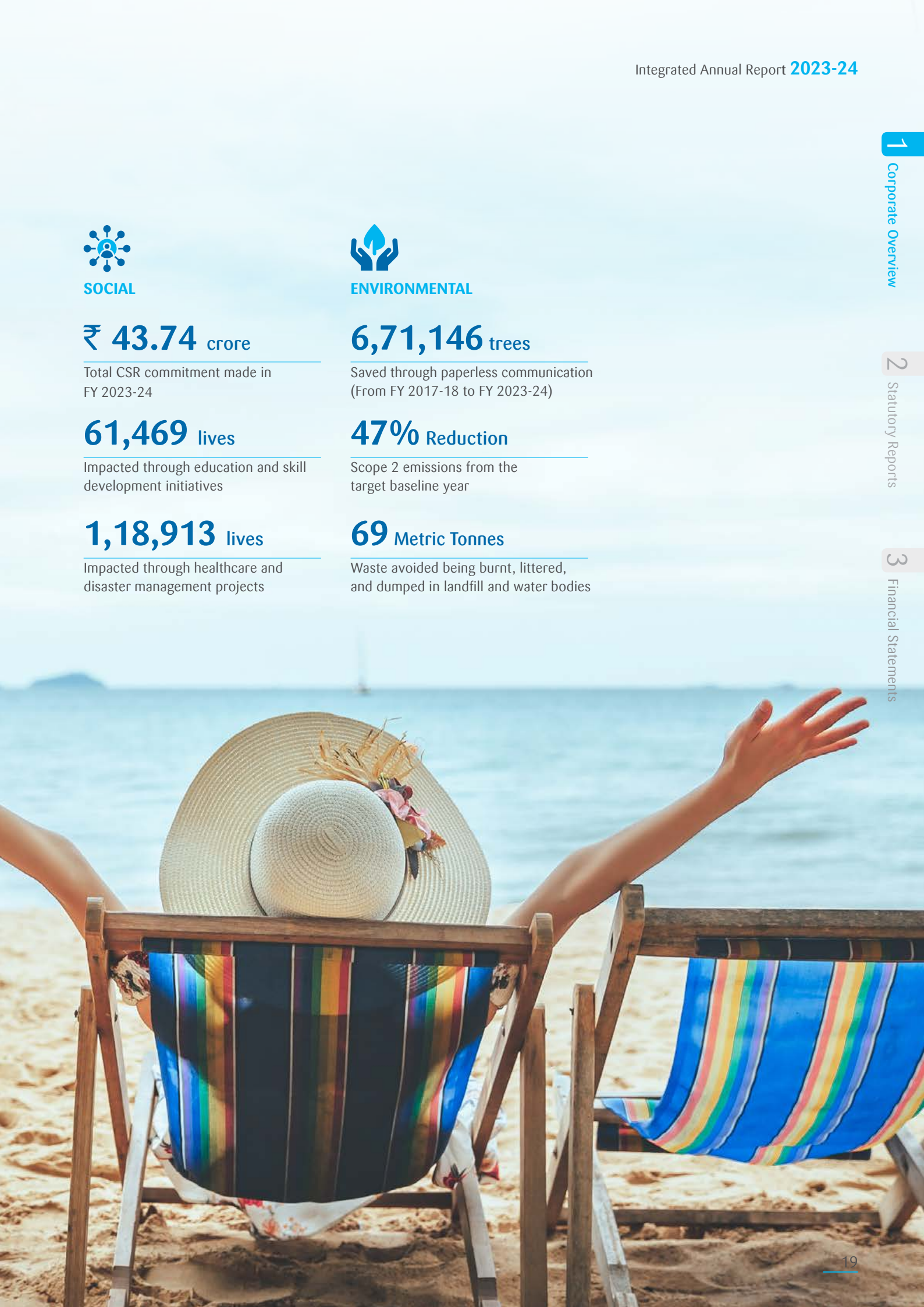
Saved through paperless communication (From FY 2017-18 to FY 2023-24)

**47% Reduction**

Scope 2 emissions from the target baseline year

**69 Metric Tonnes**

Waste avoided being burnt, littered, and dumped in landfill and water bodies



# Our Value Creation Model

## Inputs



### Financial Capital

Pool of monetary resources

- Net worth: ₹ 12,156 crore
- Borrowing: ₹ 39,891 crore
- Credit Rating (by CRISIL and ICRA):
  - Long term: **AAA/ Stable**
  - Short term: **A1+**
- **1.89 crore** Cards in force
- **25% Y-o-Y** NEA Growth



### Service Capital

Tangible and intangible assets and resources directly utilised in the Company's operations

- **23** Offices
- **15** Digital Assets
- **60+** Card Variants



### Intellectual Capital

Intangible assets that accentuate our credibility

- **API-Based Partner Integration**
- **13 projects** Undertaken to meet digital security standards
- Analytics-based portfolio management and collections
- Launch of **Turbine 2.0** program



### Human Capital

The collective knowledge base acting as key differentiator

- Total employees: **3,829**
- Total training hours dedicated: **1.47 lakh hours**
- **100%** Employees received trainings on Code of Conduct
- **42,000 hours** utilised on LinkedIn learning platform by employees
- Employee Wellness Theme "**Fuelling Wellness, Igniting Potential**" launched



### Social and Relationship Capital

The collective appreciation boosting our morale

- Total CSR commitment: ₹ **43.74 crore**
- New CSR initiatives launched: **19**
- Shareholding base of **10 lakh+** shareholders (as on March 31, 2024)
- **Customer-centric** approach to accentuate business success and long-term healthy relationship
- Appointed Internal Ombudsman
- VRM Tool launched for improved vendor management
- **3,286** Customer Service Agents (Including NTFEs)



### Natural Capital

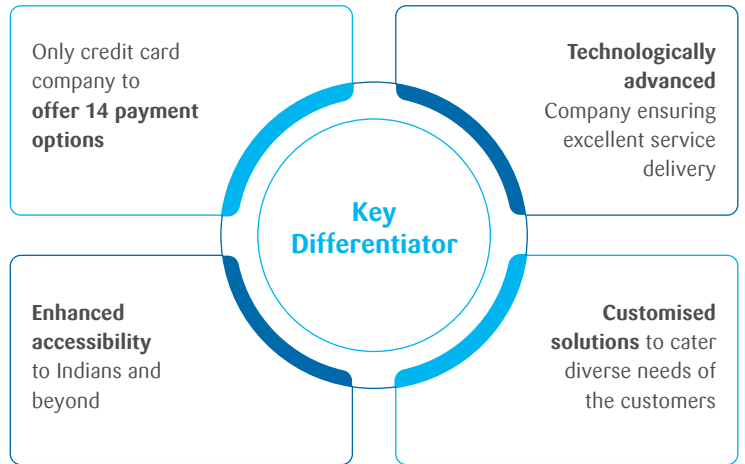
Responsibilities towards conserving the natural resources

- **Promoting green IT practices** to reduce energy consumption
- **Continuously optimising our operational processes** to identify opportunities for energy savings
- Adhered to **sustainable waste management** practices
- Fostering a **culture of sustainability** among our employees

## Value Creation

### OUR PROMISE TO VALUE CREATION

## "Make Life Simple"



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

Diversified portfolio of **credit card offerings and customer acquisition capabilities**

**Deep industry experience and expertise** to provide best-in-class experience

### Strengths that Distinguish

Growing **customer reach and modern scalable technology** infrastructure

**Advanced risk management and data analytics** capabilities

Highly **experienced and professional management team**

### Stakeholders Impacted



Society and community



Customers



Employees



Investors



Value chain partners

Read more at page no. 34

### UN SDGs impacted



### Promoting financial convenience through tailored services

Super premium cards

Core cards

Co-branded cards

Corporate cards

Read more at page no. 06

### Building a sustainable future...

#### Together

#### Environmental

Focussed on resource efficiency, carbon footprint reduction, and tree plantation

#### Social

Empowering customers through value-added products and services; communities through inclusivity; business partners through ethical practices and timely engagements

#### Governance

Adhering to ethical standards to reinforce our commitment to sound governance principles

## Output

### Financial Capital

- ₹ 17,484 crore Total income in FY 2023-24
- ₹ 50,486 crore NEA
- ₹ 2,408 crore Profit after tax
- 20.5% CRAR FY 2023-24
- 4.7% ROAA

### Service Capital

- 1.89 crore Cards in force
- 43.6 lakh New accounts
- No. of Transactions (Volume): 60.41 crore
- 3 New cards launched
- ₹ 330k crore in Spends

### Intellectual Capital

- SIM binding-based authentication implemented for SBI Card mobile app for better security
- PCI-DSS 4.0 certified organisation
- 1.45 crore active Mobile app installations
- Mobile app ratings:
  - Play Store - 4.4/5.0
  - App Store - 4.6/5.0

### Human Capital

- Total employees: 3,829 employees
- 27.74% women representation in workforce
- 653 new hires
- Zero cases of recordable work-related injuries

### Social and Relationship Capital

- 61,469 Beneficiaries of education & skilling projects
- 1,18,913 Beneficiaries of healthcare & disaster projects
- 3,230 Individuals supported in rural area through implementation of smart and modern infrastructure projects
- Interim Dividend of ₹ 2.50 per equity share declared for FY 2024
- 3.85% Detractor Score (DSAT) demonstrating positive customer sentiment
- Honoured as 'Superbrand' for the year 2023 in the credit card category for the 2<sup>nd</sup> consecutive time

### Natural Capital

- 23% Waste recycled in FY 2023-24
- 6,71,146 Trees saved
- ~1.90 lakh Trees saved through the implementation of our paper reduction initiatives in FY 2024 alone
- 4,730 tCO<sub>2</sub>e Emission checked through the usage of FSC-certified papers in FY 2023-24

## Outcome

- Revenue
- Profitable growth

- Credit Card penetration
- Diversified product portfolio

- Robust Cyber security
- Customer convenience
- Segmented customer offerings

- Employee engagement
- Employee retention
- Employee wellness

- Community development
- Customer service
- Dividend

- Waste management
- Reduction in CO<sub>2</sub> emission
- Reduction in deforestation

# Our Strategic Objectives

We are committed to future-proofing our business by focussing on customer-first principles, profitable growth, and enhancing engagement capabilities, all the while optimising our risk management framework. This journey is supported by best-in-class technology.







Our strategic objectives focus on strengthening our position in the credit card market by tailoring our approach to meet our customers' needs. With customers at the core, we strive to deliver unparalleled value and experiences. Guided by our motto of "Make Life Simple", our roadmap emphasises simplicity and customer-centricity, ensuring that every initiative enhances convenience and satisfaction.

Our business objectives are anchored by key values: Customer First, Earn Trust, Respect for All, Act with Integrity, and Lead with Courage. Driven by these values, we aim to grow sustainably by building best-in-class systems and creating seamless customer journeys.

## PILLARS SUPPORTING OUR STRATEGIC OBJECTIVES

Supported by a strong brand and pre-eminent promoter - SBI	Deep industry experience and expertise to provide best-in-class experience	Diversified portfolio of credit card offerings and customer acquisition capabilities
Growing customer reach and modern scalable technology infrastructure	Advanced risk management and data analytics capabilities	Highly experienced and professional management team

## OUR STRATEGIC OBJECTIVES

 <p><b>Expanding Customer Acquisition Capabilities</b></p>	 <p><b>Wide Offerings to Tap New Customer Segments</b></p>	 <p><b>Accelerating Transaction Volume</b></p>
 <p><b>Optimising Risk Management</b></p>	 <p><b>Improving Cardholder Experience</b></p>	 <p><b>Technology for Operational Excellence</b></p>



**Strategic Objective #1**

**EXPANDING CUSTOMER ACQUISITION CAPABILITIES**

As a leading player in India's banca and open market customer acquisition, we have cultivated a diversified network over time. The expansion of our traditional and digital channels has boosted our competitive edge and market share.

Enhanced digital measures have contributed to effective and efficient sourcing, resulting in sustainable growth. Our robust nationwide customer acquisition network has strengthened our position as the second-largest credit card issuer in India.

**KPIs**

<b>43.6 lakh</b> New accounts	<b>1.89 crore</b> Cards in force (CIF)
<b>27%</b> Spend growth in Retail spends	<b>13%</b> Growth in CIF
<b>20%</b> Spend growth in Corporate spends	<b>18.6%</b> Market share of cards in force in FY 2023-24

**Capitals Impacted**

Human, Service, and Intellectual Capital



**Strategic Objective #2**

**WIDE OFFERINGS TO TAP NEW CUSTOMER SEGMENTS**

We are constantly diversifying our product range to appeal to untapped demographics. Key to achieving this objective are forging strategic partnerships and leveraging data analytics. This diversified product range has enabled us to maintain an engaged and satisfied customer base. We have focussed on partnerships with leading brands in the country and rolled out products aimed at fulfilling the varying needs of a wide spectrum of customers. Moving forward, we will continue to assess, curate, and launch more such customer-centric products to expand our reach and cater to diverse customer segments effectively.

**KPIs**

<b>3</b> New cards launched	Launch of UPI Integration with RuPay. <b>11 lakh+</b> Registrations till date
--------------------------------	---

One of the  
**Largest Issuer of Credit Cards**  
on RuPay Network

**Capitals Impacted**

Intellectual, Human and Service Capital



**Strategic Objective #3**

**ACCELERATING TRANSACTION VOLUME**

Our strategic focus entails being a part of customer’s life as a trusted partner. To ensure the same we have implemented a multi-pronged strategy to accelerate transaction volume. This primarily includes expanding our marketing initiatives, forging strategic partnerships, and optimising user journeys and experiences to increase the frequency and volume of transactions. We have observed growth in both POS and online spends across various categories, including departmental stores, health, utilities, education, travel, entertainment, and restaurants etc. Online spends, in particular, remain robust, contributing 66% of total retail spends during the reporting period, driving our ongoing efforts to bolster transaction frequency and volume.

**KPIs**

**66%**

Online spend in retail space in FY 2024

**330 k**

Spends (in ₹ crore)

**60.41 crore**

No. of Transactions (Volume)

**184 k**

Average Spends/Card (in ₹)

**Capitals Impacted**

Financial, Human, Service, and Intellectual Capital



**Strategic Objective #4**

**OPTIMISING RISK MANAGEMENT**

Committed to driving sustainable growth, we prioritise a robust risk management framework. This approach enables us to quickly adapt and implement necessary measures, maintaining compliance and supporting strong growth momentum. We continually monitor key performance indicators to enhance operational resilience and mitigate potential risks. By proactively managing our risks, we aim to implement our growth strategy successfully while ensuring the security of our platforms and customers.

**KPIs**

**2.76%**

Gross NPA

**105%**

Liquidity Coverage Ratio

Accredited with

**PCI-DSS 4.0 and ISO27001**

**Capitals Impacted**

Financial, Service, Human, Social/Relationship, and Intellectual Capital



Strategic Objective #5

**IMPROVING CARDHOLDER EXPERIENCE**

Customer experience is one of the most important success metrics and we prioritise enhancing the cardholder experience by providing proactive service and modifying the process to ensure customer feedback is incorporated in spirit of our processes.

The company believes in eliminating the need for customers reaching out for servicing needs – “Make life simple” for improving cardholder experience. The key blocks supporting this ambition include Reimagined journey’s, Technology & AI, Customer Satisfaction and Compliance & Data Security.

Our feedback mechanism reflects our commitment to satisfaction and continuous improvement. By actively seeking and resolving grievances, maintaining transparency, and embracing a customer-centric approach, we aim to foster strong relationships and ensure stakeholder satisfaction with our products and services.

**Capitals Impacted**

Human, Social/Relationship Capital



**KPIs**

- **Regularly addressing** Customer feedback
- **Robust grievance redressal mechanism** In place to maintain utmost customer satisfaction
- **Established escalation matrix** To ensure appropriate handling of complex or unresolved issues

**3.85%**

Detractor Score (DSAT) demonstrating positive customer sentiment

Strategic Objective #6

**TECHNOLOGY FOR OPERATIONAL EXCELLENCE**

In our pursuit of operational excellence, technology plays an important role in streamlining processes, enhancing efficiency and improving decision-making. We leverage a combination of tools and technologies for integrating innovative solutions, and streamlining processes. We aim to improve efficiency and productivity across all areas of our operations.

These advancements empower our teams with real-time data and automation capabilities, enabling them to focus on higher value activities and optimise resources to ensure seamless operations throughout our organisation.

**Capitals Impacted**

Service, Human, and Intellectual Capital



**KPIs**

**Workforce optimisation tools**

Deployed to automate and forecast demand, optimise resource allocation, and improve overall productivity; **Certified by COPC for workforce management practices**

**SPRINT Integration**

with SBI's INB and YONO App

# Our Digital Landscape

Technological integration is at the heart of our business activities. The more effectively we incorporate technology into our operations, the higher the level of service we can provide to our customers. Our robust digital infrastructure is a cornerstone of our competitive advantage, positioning us as an industry leader.

SBI Card has continued to innovate and launch new products and services that cater to the evolving needs of our customers. Our innovative offerings have been well received in the market, resulting in increased customer satisfaction and loyalty.

The Company rolled out several new IT programs to introduce new digital technologies, enhance customer experience and fulfil compliance requirements. Our focus remains on maintaining a customer-centric approach in developing and delivering digitally enabled products and services. Supported by robust IT and digitally-enabled, we ensure seamless customer onboarding, high satisfaction rates, and extensive outreach.

We have adhered to a 5-pronged approach to optimise our digital strategy. This includes:

1. Digital Sourcing & Processing
2. Digital Customer Servicing
3. Enhancing Security Posture
4. Leveraging Potential of RPA & Data Science
5. Strengthening Infrastructure

## DIGITAL SOURCING & PROCESSING

The Strategy was to extensively increase our digital sourcing with launch of initiatives such as 'SPRINT' expansion to increase the digital sourcing penetration, replacing our credit decision engine from NBSM to Blaze which is state-of-the-art technology used for credit decisioning etc.

### Key initiatives undertaken

- **SPRINT expansion:** SPRINT Integration with SBI's INB and YONO App for instant e-card issuance within 5 minutes.
- **Implementation of Account Aggregator:** Integration for digital surrogate document collection, enabling customers to share bank details digitally. This feature helps in reducing

document collections from customers and faster processing of application.

- **SPRINT Lite:** This version of SPRINT platform has been particularly launched for BREs (Sales business representatives) to capture lead in Powerplay App. This will help the BREs to make the customer fill the Card Application journey digitally and get their SBI Card approved instantly.
- **Blaze Migration:** Successful Migration from the NBSM credit decision engine to Blaze to offer Streamlined credit policy management, Unified data handling & Readiness for AI/ML integration.



### DIGITAL CUSTOMER SERVICING

In our endeavour to empower our customers, we have introduced many new self-service capabilities on its digital platforms. This year, the Company completely revamped its Mobile App with enhanced UI for better customer experience.

#### Key initiatives undertaken

- **Mobile App Revamp:** Complete overhaul of our mobile app UI with more than 200+ user journeys have been revamped such as, Login screen, Password change, My Profile, Dashboard, Benefits etc.
- **BBPS Integration:** The Bharat Bill Payment System (BBPS) is an integrated and interoperable bill payment service, offering consumers the convenience of paying a variety of bills and recharges, such as electricity, water, Fastag, and mobile prepaid/postpaid. We are offering our customers seamless BBPS service through multiple digital platforms, including the SBI Card website, mobile app, chatbot Ask ILA, and WhatsApp. We run regular programmes throughout the year to encourage our cardholders to use these bill payment platforms for enhanced convenience and experience.
- **Expansion of WhatsApp Channel through:**
  - **Statement on WhatsApp:** Digitised physical statement delivery through courier with proactive delivery of statements through WhatsApp channel to customers.
  - **WhatsApp Menu Revamp:** SBI Card's WhatsApp handle has got a new look with more engaging UI and better

customer experience using latest Meta features like widgets and CTAs.

- Digital onboarding journey has been enabled through WhatsApp.
- **Live Chat Integration with Mobile App:** Introduced a hybrid chat experience to our customers to respond to customer queries related to Webform. Live Chat platform will help in providing instant resolution to customers queries via live chat with the agent on the Mobile App.
- **Launch of UPI Integration with RuPay:** UPI RuPay Card was launched in July 2023 with successful integration with NPCI. This program is running successfully with 11L+ registrations till date.



### ENHANCING SECURITY POSTURE

Providing a convenient, smooth, and secure payment experience for our customers, with ongoing security framework enhancements.



#### Key initiatives undertaken

- **PCI-DSS Certification:** Annual PCI-DSS certification has been completed in March 2024. This is a key step towards building advanced security controls to protect cardholder data and maintain a secure payment environment.
- **Enhanced Data Security Controls in Verification Process:** SBI Card Inhouse Dialer's Setup for Tele verification process.
- **Strengthening Contact Change Process:** Now customers can change their mobile number & email Id only via SIM-binded Mobile App. This step has been acted as a safeguard to customers against fraudulent activities.

### LEVERAGING POTENTIAL OF RPA & DATA SCIENCE

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.

#### Key initiatives undertaken

- **Launch of Turbine 2.0 program:** This program has led Turbine infrastructure expansion of primary set up and build complete DR for business continuity purposes.
- **Offers refactoring project:** Simplified the Flexi Pay offer launch process by reducing the time to market significantly. It provides a centralised offer repository which is exposed to all channels through APIs.
- **Leveraging RPA for DR Automation:** EMA's (Employee BOT) DR Drill steps have been fully automated with the help of RPA bots. Complete DR switchover and switchback have been automated using UiPath Assisted Bot

- **Legal tool automation using RPA:** Automation for collections to streamline the legal notice process for delinquent customers by automated mapping of legal tools on delinquent accounts.



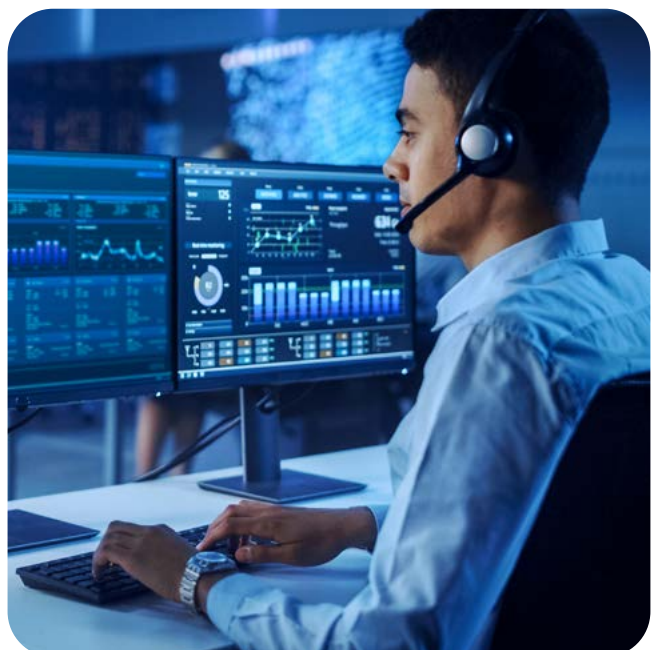
### STRENGTHENING INFRASTRUCTURE

Strengthening our technology infrastructure to integrate new and best-in-class technologies, ensuring future-readiness of our robust and scalable platform.


#### Key initiatives undertaken

- **SBIC Network Proxy Moves to Cloud:** SBI Card's on-premises Broadcom proxy solution has been successfully migrated to a cloud-based solution. Cloud-based proxy solution provides enhanced SLA on support with seamless internet experience. All end users including VDI & Citrix Users are migrated successfully to Netskope Cloud Solution.
- **Technology Upgrade:** Below are the key upgrades that have been accomplished in this Financial year:
  - **CardOne Upgrade:** A comprehensive technology upgrade of CardOne platform has been done with latest technology standards. This upgrade has covered server operating systems, Databases, CRM application, Business Rules Engine, Reporting Application and Monitoring Application. 120+ servers across 9 environments including production, DR have been migrated successfully.
  - **DB Upgrade:** SBI Card IT Application databases have been upgraded to the latest version in order to meet the compliance. 150+ Application databases have been migrated under this major upgrade program.

- **Originations Database Upgrade:** A complex infrastructure upgrade has been done for critical WCP Originations databases with robust highly redundant servers ensuring high availability for all originations applications. This will lead to better database performance, scalability, reliability, delivering better business outcomes & operational efficiencies.



# MAKING UPI PAYMENTS AND NOT GETTING REWARDED?



Here is a new way for you to earn Reward Points. Simply add your RuPay SBI Credit Card to any UPI App and enjoy great rewards, as you pay.



How to make UPI payments using your credit card:

Log in to any UPI App

Go to settings to Link/Add Credit Card

Select RuPay SBI Credit Card

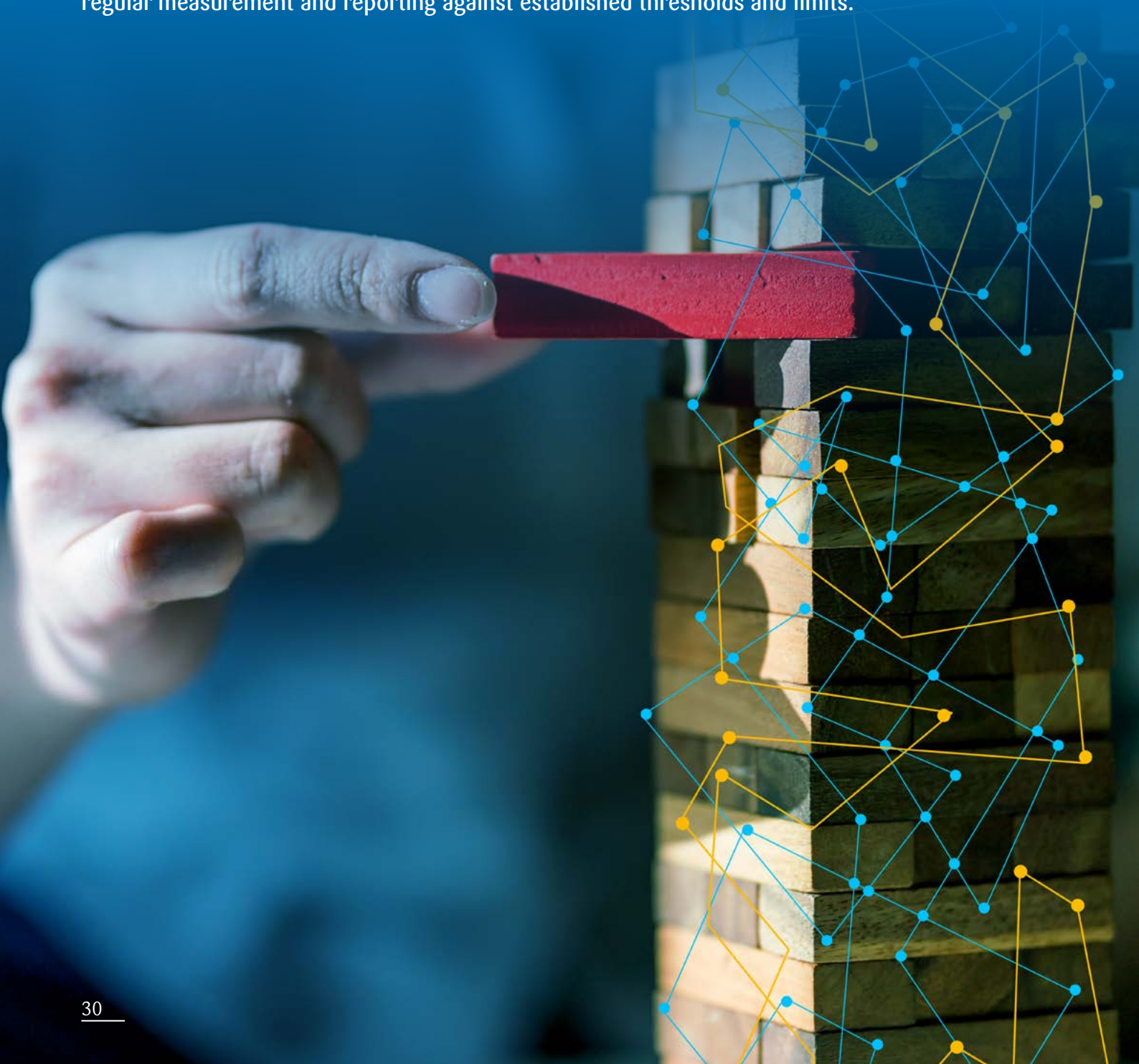
Set UPI PIN to make payments



# Risk Management

Effective risk management is integral to our operations. We employ robust frameworks and advanced analytics to identify, assess, control, and mitigate risks, ensuring informed decision-making. Our strategy aligns with broader goals, including capital adequacy, earnings stability, credit ratings, liquidity, and regulatory compliance.

We continually update our risk framework to meet evolving regulations, industry standards, and best practices, both domestically and internationally. To navigate a volatile business environment, we have identified key financial risks (e.g. credit, liquidity, market, strategic etc.) and non-financial/operational risks (e.g. compliance, cybersecurity, fraud, third-party/vendor risk etc.). Our risk appetite is defined by stringent controls, monitoring mechanisms, and mitigation plans, with regular measurement and reporting against established thresholds and limits.





**NAVIGATING RISK: OUR APPROACH**

**Establishing the Risk Management Framework**

We have embedded risk management throughout our operations with a robust framework based on regulatory guidelines and industry best practices, utilising tools for identification, assessment, control, monitoring, and mitigation.

**Identifying Key Risk Categories**

We identify key risk categories, spanning financial risks e.g., credit, liquidity, market, strategic etc., as well as non-financial and operational risks such as compliance, cyber security, fraud, third party risk/vendor risk etc.

**Aligning with Strategic Goals**

Our risk management strategy is intricately linked with broader objectives, encompassing capital maintenance, earnings planning, credit stability, liquidity management, and regulatory compliance, articulated through a comprehensive Risk Appetite Statement.

**Implementing Risk Mitigation and Performance Measurement**

We execute risk mitigation plans aligned with our risk appetite, employing appropriate controls, monitoring mechanisms, and key indicators, whilst measuring and reporting risk performance against predefined thresholds on a regular basis.

**RISK MANAGEMENT COMMITTEES GUIDING RISK POLICIES AND PRACTICES**

Our Board of Directors have instituted Risk Management Committees with the aim of overseeing the organisation's risk management framework and appetite. This entails approving and monitoring risk management policies, processes, and tools, as well as conducting regular reviews to reflect shifts in market conditions and organisational activities. The Committee convenes at regular intervals to evaluate risks and assesses the efficacy of risk management practices, adjusting strategies as required. Governance provides additional support to the Committee by offering oversight, guidance, and resources, ensuring effective risk management, regulatory compliance, and fostering transparency and accountability throughout the organisation.

## RISK PROFILING: IMPACT ANALYSIS

### CREDIT RISK MANAGEMENT

We manage retail credit card risk by reviewing customers' repayment history and outstanding balances. For corporate cards, we use risk rating models for detailed portfolio monitoring, assessing risk acceptability, credit thresholds, eligibility, authorisations, loan conversion, and review frequency.

Mitigation Strategy	Measuring Impact
Implementing detailed underwriting & portfolio monitoring and risk rating models to determine risk acceptability, drawdown capability, and credit eligibility to take necessary actions throughout the credit lifecycle	<ul style="list-style-type: none"> <li>• <b>2.76%</b> Gross NPA</li> <li>• <b>0.99%</b> Net NPA</li> <li>• <b>₹ 2,408 crore</b> PAT</li> <li>• Maintained Capital Adequacy Ratio (CAR) at <b>20.5%</b> which is well above the applicable Reserve Bank of India regulatory requirement for NBFCs at 15%</li> </ul>

### INFORMATION & CYBER SECURITY RISK MANAGEMENT

Our Information Security and Cyber Security Policies are aligned with regulatory requirements. We have implemented multiple detective, preventive, corrective measures to protect our organisation's information assets in line with the 'Defence in Depth' strategy. We log and report cyber security incidents and conduct frequent audit and assessments to validate our adherence to various regulatory compliance requirements.

To minimise risk emerging out of our third-party relationships (supply chain risk), we have a mature third-party risk management process wherein all third-party vendor / partners are required to adhere to our Information Security and Cyber Security policy requirements. All these third-party vendor / partners are assessed periodically for implementing and maintaining measures as per our Information Security and Cyber Security policy requirements.

Mitigation Strategy	Measuring Impact
<p>To minimise risk exposure and to enhance overall security posture of the Company we:</p> <ol style="list-style-type: none"> <li>1. Implement multiple detective, preventive, corrective measures to protect organisation's information assets.</li> <li>2. Undergo regular audits conducted by internal and external independent auditors to validate adherence to various regulatory and other compliance requirements.</li> <li>3. Conduct periodic assessment and compliance monitoring of all third-party vendors and partners to ensure strict adherence to our Information &amp; Cyber Security Policy.</li> </ol>	<ul style="list-style-type: none"> <li>• Accredited with PCI-DSS 4.0 and ISO 27001</li> <li>• Received the prestigious DSCI Excellence <b>award</b> under the category of <b>Best Security Practices in Non-Banking Finance Company</b></li> <li>• No material incident reported to any of the regulatory authorities in last 12 months</li> </ul>

### REPUTATION RISK MANAGEMENT

Our Customer Services team efficiently handles complaints across multiple channels, proactively reaching out to customers. We monitor complaints by category and measure turnaround time, a key indicator for reputation risk management.

Mitigation Strategy	Measuring Impact
Maintaining accessible customer services, tracking complaint categories, and measuring turnaround time for complaint resolution serve as key performance indicators for reputation risk management. Maintaining accessible customer services, tracking complaint categories, and measuring turnaround time for complaint resolution serve as key performance indicators for reputation risk management. Negative Social Media Complaints from high priority customer or by an influencer, any negative media mention and any penalty paid to Regulators / Govt. and other authorities are monitored as Risk Indicators and reported to Risk Management Committee meetings	<ul style="list-style-type: none"> <li>• Reputed as the <b>largest pure-play credit card issuer</b> in the country</li> </ul>

### REGULATORY COMPLIANCE RISK

As an NBFC, we adhere to regulatory supervision through our compliance framework, monitored at monthly and quarterly governance forums.

#### Mitigation Strategy

**Regular monitoring of compliance-related matters** at governance forums during monthly and quarterly meetings aids in ensuring ongoing regulatory adherence and minimising compliance risk.

#### Measuring Impact

- Met all mandatory compliances

### VENDOR RISK MANAGEMENT

Engaging multiple vendors across geographies entails risks, including financial loss and reputational damage. We mitigate these risks through our Vendor Risk Management Policy, which assesses vendors on a risk matrix and conducts due diligence to classify them as Critical, High, Medium, or Low Risk.

#### Mitigation Strategy

**Implementation of Vendor Risk Management Policy** involving assessing vendors on a risk assessment matrix and conducting due diligence to categorise them as Critical, High, Medium, or Low Risk, thus minimising potential risks associated with vendor relationships.

#### Measuring Impact

- Adhered to **Constant monitoring** to averse any potential risk

### LIQUIDITY RISK MANAGEMENT

Our business growth depends on availability of sufficient funds, timely and at an optimum cost. Having a robust monitoring and review process for market risks is key to protecting our financial position.

#### Mitigation Strategy

The ALCO supervises the liquidity position of the Company through a combination of policy formation, review and governance, analysis, stress testing, limit setting, and monitoring.

#### Measuring Impact

- Credit Rating (by CRISIL and ICRA): Long term: **AAA/ Stable** • Short term: **A1+**
- Liquidity Coverage Ratio at **105%**

#### EXCELLENCE EXEMPLIFIED

- Received PCI-DSS certification 3.21 and 4.0
- Recognised with DSCI Award under the category of best security practices in non-banking finance company



# Stakeholder Engagement & Materiality Assessment

At SBI Card, we believe in fostering open and collaborative relationships with all our stakeholders. Our stakeholder engagement strategy focusses on **creating a platform for dialogue, understanding stakeholder needs, and incorporating their perspectives into our decision-making processes**<sup>1</sup>.

SBI Card champions a robust stakeholder engagement process built on the following approach<sup>2</sup>:

## Stakeholder Identification



- We proactively identify a comprehensive range of individuals, organisations and groups who are impacted by, or have an interest in, our business activities. This includes internal stakeholders like employees and external stakeholders like customers, suppliers, and regulatory bodies
- We carefully consider the specific interests and concerns of each stakeholder group (customers, employees, regulatory bodies, suppliers, investors, shareholders and community) to tailor our communication and engagement strategies accordingly

## Stakeholder Prioritisation



- Our materiality assessment allows us to prioritise stakeholder groups based on their influence and the potential impact of these ESG issues on them and our business
- We consider both the potential impact that a stakeholder group has on our business and the influence they exert on our industry or the broader community. This combined evaluation helps us prioritise our engagement efforts

## Engagement & Interaction with Stakeholders



- We establish open and transparent communication channels with our stakeholders, fostering a two-way dialogue. This includes regular communication through reports, surveys, town hall meetings, and targeted outreach programs
- We actively listen to stakeholder concerns and feedback, ensuring their voices are heard and informing our decision-making processes

<sup>1</sup> GRI 2-29

<sup>2</sup> GRI 3-1

## Materiality



- Through the stakeholder engagement process and materiality assessment, we develop a Materiality Matrix that visually depicts the

most significant ESG issues for both SBI Card and our stakeholders. This matrix guides our sustainability strategy and reporting efforts

- For more details, please refer to Principle 4 of our Business Responsibility & Sustainability Report on page no. **149**

## Benefits of Stakeholder Engagement



- **Benefit to Stakeholders:** The most significant advantage of conducting stakeholder engagement is the ability to gain a deeper understanding of stakeholder priorities and concerns
- **Enhanced Decision-Making:** By understanding stakeholder perspectives, we can make more informed and well-rounded business decisions that benefit all stakeholders in the long run

- **Risk Management:** Proactive engagement helps us identify and mitigate potential risks that could impact our stakeholders and our business
- **Building Trust:** Open and transparent communication builds trust and fosters stronger relationships with our stakeholders
- **Sustainable Growth:** Effective stakeholder engagement contributes to our long-term

sustainability by ensuring that our business practices are aligned with the needs and expectations of all stakeholders

- **Opportunity Creation:** By understanding our stakeholders' challenges, we can identify opportunities to create products, services, or solutions that address them

SBI Card does not indulge in any kind of Collective bargaining agreements<sup>3</sup>.

## Materiality Assessment



Materiality assessment is a crucial process for SBI Card as it helps us prioritise the most relevant ESG issues to our business and our stakeholders. Here's how it holds significance:

- **Focus on What Matters Most:** By conducting regular materiality assessments, we can identify and focus on the ESG issues that have the greatest impact on our business success, stakeholder interests, and the environment

- **Risk Management:** Materiality assessments help us identify and mitigate potential ESG risks that could impact our operations, reputation, and financial performance. By proactively addressing these risks, we can minimise negative consequences and ensure sustainable growth
- **Transparency and Accountability:** The materiality assessment process fosters transparency with stakeholders by demonstrating our

commitment to understanding the ESG issues that matter the most. This process builds trust and accountability in how we operate

- **Competitive Advantage:** In today's business landscape, a strong materiality assessment process positions SBI Card as a responsible and sustainable organisation, potentially leading to a competitive advantage and serving all opportunities

Our Material Topics are categorised based on their impact in our matrix<sup>4</sup>:

**Moderate Impact:** Climate Change, Energy Consumption, Colleague Health & Safety, Inclusion & Diversity

**High Impact:** Waste reduction & recycling, Anti-corruption & bribery, Employee learning & development, Responsible selling practices, Consumer financial protection, Responsible digitalisation/IT Deployment and automation, colleague attraction & retention/Future workforce, Business Ethics

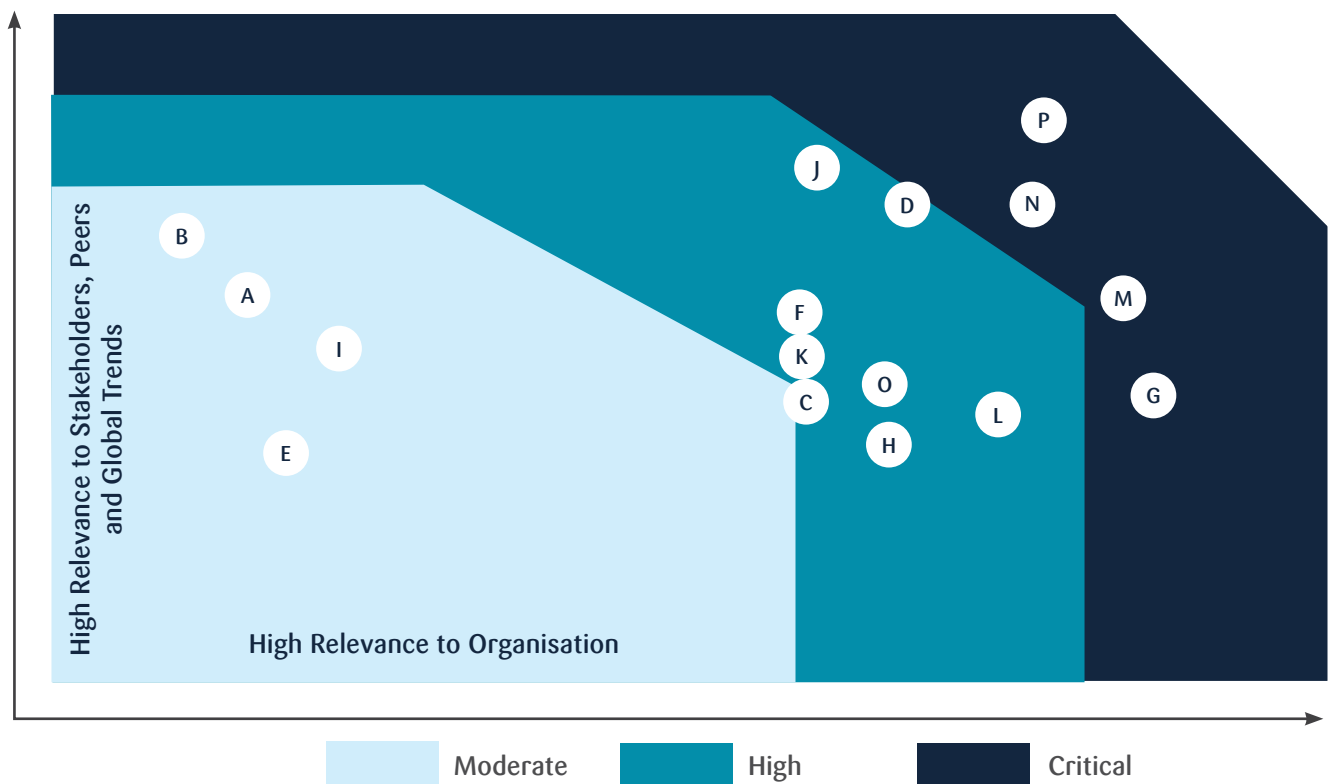
**Critical Impact:** Employee engagement and welfare, Innovative technologies and products, Risk management and compliance, Data privacy & security.

<sup>3</sup> GRI 2-30

<sup>4</sup> GRI 3-2

Due to ever-changing landscape, we revise and update our materiality assessment every three years. For more information on our material topics, refer to our Section A Indicator 26 of Business Responsibility & Sustainability Report (BRSR) on page no. 149.

Category	Material Topic	Code
Environment	Climate Change	A
Environment	Energy Consumption	B
Environment	Waste Reduction & Recycling	C
Social	Employee Attraction & Retention/Future Workforce	D
Social	Employee Health & Safety	E
Social	Employee Learning & Development	F
Social	Employee Engagement and Welfare	G
Social	Consumer Financial Protection	H
Social	Inclusion & Diversity	I
Governance	Business Ethics	J
Governance	Anti-Corruption & Bribery	K
Governance	Responsible Digitalisation	L
Governance	Innovative Technologies and Products	M
Governance	Risk Management and Compliance	N
Governance	Responsible Selling Practices	O
Governance	Data Privacy & Cybersecurity	P



# DISCOVER IT ALL

with SBI Card MILES

Get 3X Rewards on ALL Hotel & ALL Flight bookings



Venture



Adventure



Earn 6 Travel Credits for every ₹ 200 that you spend on travel with your credit card



Enjoy 6 International & up to 23 Domestic complimentary Airport Lounge visits every year



Convert Travel Credits into Air Miles & Hotel Points with our Exclusive Travel Partners (1 Travel Credit = 1 Air Mile / Hotel Point, worth ₹ 1)



Enjoy perks like Air Ticket Cancellations, Low Forex Markup, Travel Insurance & much more



SBI Card MILES



Scan to apply

# Customer Testimonials

SBI Card I had an amazing experience with your social media team. I raised a query and it was resolved in few mins. Shoutout to Karandeep Singh in the social media team. Well done

**Ranjith Nair**

@SBICard\_Connect Thank you SBI for solving my issue with the card. It was very quick response from SBI and very professional. Never expected this premium service from a government entity. The agent name was Sharmili.

**Jasmeet Singh**

@SBICard\_Connect I would like to thank employees like Neetu, she took all the efforts to resolve my query and helped me with the best solution possible. Understood the issue apt and quick resolution was provided. Kudos !!

**Ronak Kareliya**

Let me start by thanking the representative who took out time and connected with me on Saturday. A big Thank you for being patient, listening to my concerns and resolving it accordingly. @SBICard\_Connect

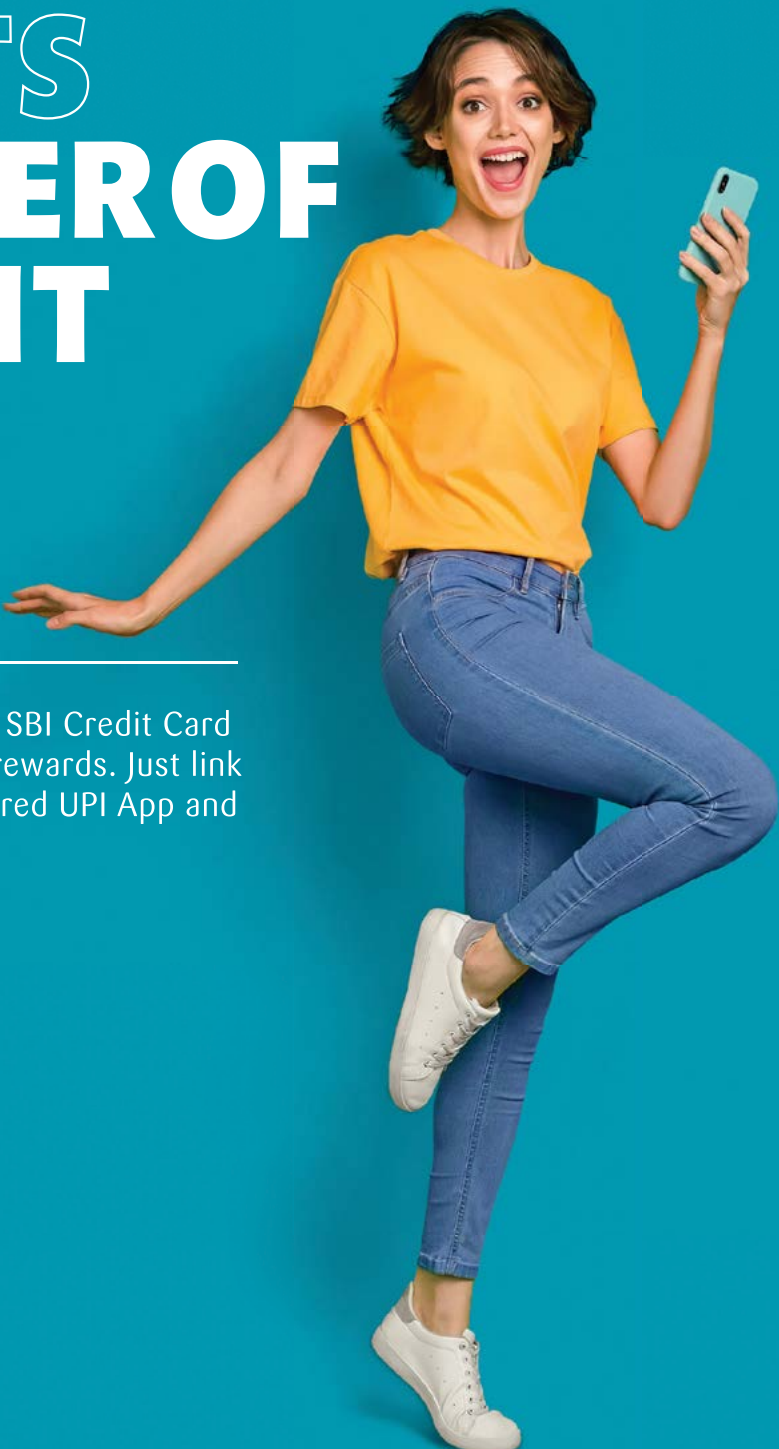
**Shevron Furtado**

At the outset I would like to take this opportunity to thank you and the entire team at SBI Card. I would like to put on record the outstanding professionalism and courtesy displayed by you. People like you are the true ambassadors of Brand SBI Card. The entire episode has increased my faith and respect for SBI Card by a few more notches.

**Vaibhav Gupta**



# THE EASE OF UPI MEETS THE POWER OF SBI CREDIT CARD.



Now make UPI payments with your RuPay SBI Credit Card and enjoy interest-free credit period and rewards. Just link your RuPay SBI Credit Card to your preferred UPI App and make payments, easily.

### Benefits:

- Interest-free Credit Period
- Ease of payment
- Earn Reward Points



Apply now for RuPay SBI Card.

T&C APPLY

# Our Board of Directors



**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. Ashwini Kumar Tewari**

*Nominee Director*

He is an electrical engineer by degree and a Certified Associate of Indian Institute of Bankers (CAIIB), Certified Financial Planner (CFP) and has also done a Certificate Course in Management from XLRI. He is a career banker and started his career in State Bank of India in the year 1991 as a Probationary Officer and has spent more than three decades with SBI in India and abroad in various assignments. Presently, he is the Managing Director (Corporate Banking and Subsidiaries) of State Bank of India and a Whole Time Director handling the portfolio of Large Corporate and Commercial Credit Business of the Bank along with Associates & Subsidiaries of the Bank. This includes major non-bank business like Credit cards, Mutual Fund, Life & General Insurance, Capital Markets, Custodial Services etc. and serving on the boards of all these companies. Prior to this assignment, he was Managing Director (Risk, Compliance and Stressed Assets) since June 2022. There he was focussing on driving Climate Risk Management in the bank and shaping the Stressed Assets Strategy of the bank. Earlier he was the Managing Director, handling International Banking, Information Technology and Non-Bank Subsidiaries of the Bank from January 2021. He was also involved in a big refresh in the technology space in SBI. Prior to becoming Managing Director at SBI, he served as Managing Director and CEO of SBI Cards and Payment Services Limited where he oversaw key partnerships inked with GPay, PayTM, BPCL etc. and steered the Company through the immediate aftermath of the Covid period. Earlier, he was the Country Head of the US Operations of State Bank of India from April 2017 to July 2020. Prior to that he was the Regional Head and General Manager, East Asia, for SBI, based in Hong Kong. Over the years, he held other leadership positions at State Bank of India, including, the Deputy General Manager (Operations & Information Systems) International Banking, Head of SBI's Cash Management, Regional Manager, Branch Head, among others.



**Mr. Abhijit Chakravorty**

*Managing Director & CEO*

He is a postgraduate in Applied Chemistry and is a Certified Associate of the Indian Institute of Bankers (CAIIB). Mr. Abhijit Chakravorty, a Deputy Managing Director at State Bank of India (SBI) took the helm at SBI Card on August 12, 2023. Starting his banking career as a Probationary Officer with SBI in 1988, Mr. Chakravorty has gained over 35 years of rich experience in Retail and Corporate Banking, Overseas Operations and IT vertical of SBI. He 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. Mr. Chakravorty had managed the Bangladesh Operations of the Bank as CEO and Country Head. At the Global IT Centre of SBI, he led the vertical responsible for IT operations of the customer facing channels and payment systems of SBI.



### Mr. Nitin Chugh

*Nominee Director*

He is an engineer and MBA by qualification. He is a career banker with an overall experience of 31 years. He serves as Deputy Managing Director and Head of Digital Banking at State Bank of India. Prior to joining SBI in March 2022, he was the MD and CEO of Ujjivan Small Finance Bank from December 2019 to September 2021. He also served for over 18 years at HDFC Bank from 2001 to mid-2019, where he managed several leadership roles in retail banking. His last role at HDFC Bank was that of Group Head for Digital Banking where he oversaw the digital transformation of HDFC Bank from 2013 to 2019. He also serves as a nominee director on the boards of SBI Payments and ONDC. He is an accomplished industry leader and well regarded in retail and digital banking.



### Dr. Tejendra Mohan Bhasin

*Independent Director*

He holds a Bachelor's degree in law and 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 has also served as the Chairman, 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. He is also a senior advisor to TVS Capital Funds and was associated with National Bank for Financing Infrastructure and Development (NaBFID) as Senior IT Advisor & Member of Expert Advisory Group. In a career spanning over four decades, he has acquired expertise in banking, finance functions, technology management, payment systems, digital channels and private equity.

# Our Board of Directors



**Mr. Shrinivas Yeshwant Joshi**  
*Independent Director*

He is a Chartered Accountant in practice over past 43 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.



**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 incharge of eastern zone and its senior divisional manager. He worked on foreign assignments as well. He has more than 40 years of experience in the insurance and finance sector.



**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 co-founder. She has over 35 years of experience in the banking and financial inclusion sector.



# Our Prudent Management Team



**Mr. Abhijit Chakravorty**  
Managing Director & CEO



**Mr. Ashutosh Kumar Sharma**  
Chief Operating 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



**Ms. Anita Richard Sontumyra**  
Executive Vice President &  
Chief People Officer



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



**Mr. Shantanu Srivastava**  
Executive Vice President &  
Chief Risk Officer



**Mr. Vishal Singh**  
Executive Vice President &  
Head - Consumer Sales



**Ms. Rinku Sharma**  
Executive Vice President &  
Chief Compliance Officer



**Ms. Nandini Malhotra**  
Executive Vice President &  
Chief Credit Officer

# Corporate Information

## BOARD OF DIRECTORS

**Mr. Dinesh Khara**

*Chairman*

**Mr. Abhijit Chakravorty**

*Managing Director &  
Chief Executive Officer*

**Mr. Ashwini Kumar Tewari**

*Nominee Director*

**Mr. Nitin Chugh**

*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, 1<sup>st</sup> Floor, 247 Park,  
Lal Bahadur Shastri Marg,  
Vikhroli (West),  
Mumbai - 400 083, Maharashtra, India  
Telephone: +91 810 811 6767  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website: [www.linkintime.co.in](http://www.linkintime.co.in)

### For Debt

**Zuari Finserv Limited**

Plot No. 2,  
Zamrudpur Community Centre,  
Kailash Colony Extension,  
New Delhi - 110048  
Telephone: 011-41697900  
Email: [rta@adventz.zuarimoney.com](mailto:rta@adventz.zuarimoney.com)  
Website: [www.zuarimoney.com](http://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**

**Bank of India**

## REGISTERED OFFICE

Unit 401 & 402, 4<sup>th</sup> Floor,  
Aggarwal Millennium Tower  
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Wazirpur,  
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Phone: +91 (11) 6126 8100

## CORPORATE OFFICE

2<sup>nd</sup> 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](http://www.sbicard.com)

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# Reinforcing Trust with Environmental Stewardship

Our customers and stakeholders trust us to operate responsibly while delivering exceptional products and services. Upholding this trust is central to our mission, guiding us to act as guardians of the planet for future generations. Our commitment to environmental responsibility is steadfast, recognising that sustainable practices benefit both the ecosystem and our stakeholder relationships.





To this end, we have integrated a robust environmental management strategy into our business model, ensuring that every decision considers its impact on the natural world. We are dedicated to minimising our ecological footprint through innovative solutions that reduce waste, conserve energy, and promote sustainable resource use.

By embracing sustainability, we contribute to the planet's health and reinforce the trust our customers have in us as a reliable and conscientious partner. We believe that investing in environmental sustainability is an investment in the future of our business and the well-being of all stakeholders. With this sense of trust and responsibility, we are committed to excellence in environmental management and fostering a legacy of positive impact.

Our vision for minimising ecological impact is demonstrated through our commitment to responsible business practices, focussing on four key areas.

**MATERIAL TOPICS IN FOCUS**



Energy Consumption



Climate Change



Waste Reduction & Recycling



Innovative Technologies & Products

**DELIVERING ON OUR PROMISES: PROGRESS AGAINST TARGETS**

**GOALS**

**Reduce Scope 2 emissions by 50%** by FY 2027 (Baseline FY 2019) and achieve carbon neutrality by 2030.

**Adopt recycle plastic cards** and increase its volume to 25% by FY 2030.

**Digitise 85%** of welcome kits thereby reducing paper usage by FY 2027.

Contribute ₹ **50 crore** towards environmental initiatives by FY 2029.

**PROGRESS**

**Reduction in Scope 2 emissions by 47%** against the baseline FY 2019, demonstrating our dedication to combating climate change.

Recycled plastic cards adoption has reached up to **8%**, thus making a significant environmental impact.

**81%** welcome kits digitised to minimise paper usage.

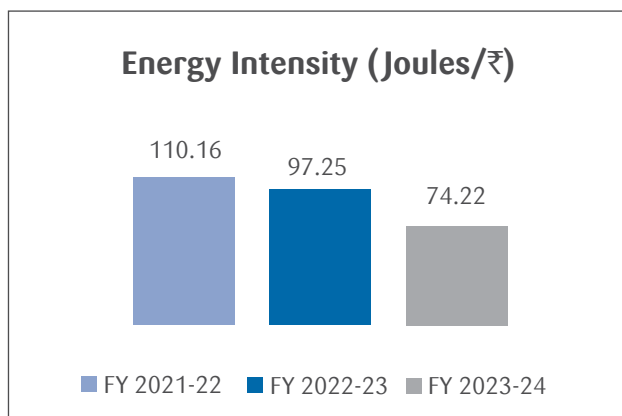
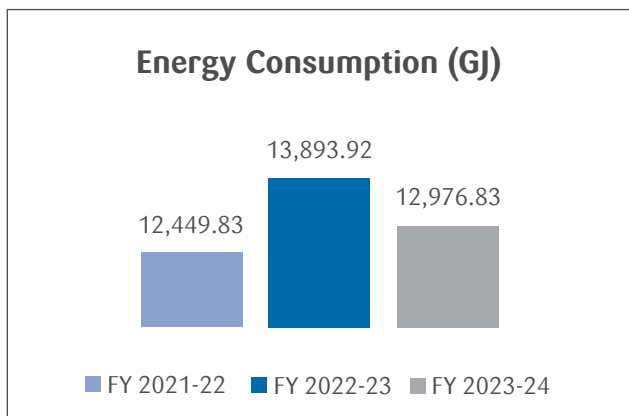
Contribution of ₹ **27.27 crore** was made for environmental initiatives.

**ENERGY MANAGEMENT**

We understand that effective energy management is crucial for promoting sustainability and reducing our environmental impact. Therefore, we have optimised the energy efficiency of our operating facilities to enhance the quality of the indoor environment and support the well-being of our colleagues.

Our energy management initiatives are designed to reduce energy consumption, combat climate change, and contribute to a future with lower carbon emissions. A 7% reduction in total energy consumption from FY 2023 to FY 2024 exemplifies this commitment, achieved through our dedicated efforts to integrate numerous energy-saving initiatives.

**Energy Consumption and Energy Intensity for SBI Card<sup>5</sup>**



<sup>5</sup>GRI-302-1,2&3

**ENERGY-EFFICIENT INITIATIVES:**

We source electricity from the respective State Power Boards through our landlords and building owners. Since our offices are primarily located in leased premises, we face challenges in completely switching to clean energy resources. However, we are exploring feasible options for using clean energy in collaboration with building developers.

**CASE STUDY**

## Harnessing Solar Power: SBI Card's Sustainable Energy Initiative in Chennai



**Executive Summary:** In a progressive move towards sustainable development, the builder of SBI Card Chennai office has implemented a 50-kW solar rooftop system. This forward-thinking project underscores the potential for tenant and property owner partnerships to drive environmental initiatives in leased commercial spaces.

**Background:** The Chennai office building, owned by a visionary developer, has taken a significant step into renewable energy by installing a state-of-the-art solar rooftop system. This initiative aligns with the growing global emphasis on sustainable building practices and responsible energy consumption.

**Objective:** The primary objective of the solar rooftop project is to minimise the environmental impact of the building's operations by reducing reliance on fossil fuels and lowering greenhouse gas emissions. The builder aims to set a benchmark for sustainability, encouraging other developers and tenants to adopt eco-friendly solutions.

**Implementation:** The builder meticulously planned and executed the installation of the solar panels, ensuring minimal disruption to the tenants' daily operations. The

system is designed to meet a significant portion of the building's energy requirements, generating an estimated 800 kWh of electricity daily.

**SBI Card's Role and Future Collaboration:** As a prominent tenant, SBI Card has played a supportive role in this initiative by committing to utilise the clean energy generated for its operations. Looking ahead, SBI Card plans to further assist the builder in enhancing the building's sustainability profile through:

**Awareness Campaigns:** Organising workshops and seminars for employees and other tenants to promote the benefits of renewable energy and sustainable practices

**Energy Consumption Analysis:** Working with the builder to monitor and analyse energy usage patterns, identifying areas for additional efficiency improvements

**Investment in Green Technology:** Exploring opportunities to co-invest in future green technology upgrades for the building, such as energy-efficient lighting and HVAC systems

**Sustainability Certifications:** Exploring opportunities to co-invest in future green technology upgrades for the building, such as energy-efficient lighting and HVAC systems

**Outcomes and Benefits:** The solar rooftop system has yielded immediate environmental benefits by significantly reducing the building's carbon footprint. Tenants like SBI Card benefit from lower energy costs and the fulfilment of their corporate social responsibility goals. The builder gains a competitive edge in the real estate market by offering a green, energy-efficient building.

**Impact:** This collaborative effort serves as a model for how builders and tenants can work together to make leased spaces more sustainable. It demonstrates the shared benefits of such partnerships, including cost savings, environmental stewardship, and enhanced corporate image.

## ENERGY REDUCTION INITIATIVES<sup>6</sup>

We remain committed to implementing a range of energy efficiency initiatives across our offices to minimise energy consumption and improve operational efficiency. These key initiatives include:

**Energy Monitoring:** Conducting regular energy checks to assess usage patterns, identifying inefficiencies, and implementing targeted energy-saving measures to optimise energy consumption and reduce waste.

**Employee Awareness and Training:** We promote energy conservation practices among our employees through awareness campaigns, training programmes, and internal communications, encouraging them to adopt energy-saving habits like turning off lights and equipment when not in use, reducing paper waste, and using energy-efficient transportation.

**Lighting Systems:** Employing energy-efficient lighting systems, such as LED bulbs and sensors, to minimise electricity usage and replacing traditional lighting fixtures with energy-saving alternatives in offices, branches, and other facilities.

**Equipment Upgrades:** Integrating energy-saving technologies into our infrastructure and equipment, including the installation of energy-efficient appliances and lighting, which helps lower operating expenses and energy consumption. HVAC systems in our leased offices are provided by the building owners.

**HVAC Optimisation:** Utilising automated control sensors to optimise energy usage; have installed heat-resistant films on the facade, and insulated air conditioning ducts to maintain cooling and reduce energy consumption, supported by smart control systems, energy-efficient equipment, and regular maintenance procedures for HVAC operations.



<sup>6</sup>GRI 302-4

## CASE STUDY

## Optimising Energy Efficiency: SBI Card's Automation Upgrade in Gurugram Offices

**Executive Summary:** SBI Card has taken a significant stride in energy conservation by implementing an advanced automation system for the Air Handling Units (AHUs) in its Gurugram office. This case study explores the integration of variable frequency drivers and remote-control technology to enhance the management of AHUs, resulting in substantial energy savings and operational efficiency.

**Project Background:** The Gurugram offices of SBI Card are equipped with 16 AHUs, responsible for maintaining optimal temperature levels across various floors. These units collectively consume approximately 9,00,000 kWh of electricity annually, representing a considerable operational cost and environmental impact.

**Objective:** The primary objective of this initiative was to reduce energy consumption and associated costs by optimising the performance of the AHUs without compromising indoor climate control.

**Implementation:** In collaboration with Building Owner, SBI Card upgraded the AHUs with variable frequency drivers

and installed remote controls at the control panels. The new technology adjusts the AHU motor speeds by detecting the air conditioning temperature on each floor, ensuring the maintenance of the desired temperature with enhanced precision and efficiency.

**Outcomes:** The automation upgrade has led to a significant reduction in energy usage, with an estimated saving of around 90,000 kWh of electricity per annum. This equates to a ~73.800 tCO<sub>2</sub>e emissions reduction per annum from the decrease in energy consumption for the AHUs, reflecting SBI Card's commitment to sustainable operations and cost-effective resource management.

**Impact:** The initiative not only contributes to SBI Card's sustainability goals but also demonstrates the potential for large-scale energy savings in commercial buildings. By adopting such smart technologies, SBI Card is setting an industry benchmark for environmental responsibility and operational excellence.



**Equipment and Appliance Efficiency:** We select energy-efficient alternatives considering lifecycle costs, certifications, and energy ratings. Regular maintenance and equipment upgrade further enhance performance, ensuring we meet high standards of efficiency and reliability.

**Operational Optimisation:** Continuously evaluating and optimising our operational processes to identify opportunities for energy savings. This includes streamlining workflows, reducing idle time, and implementing efficient resource allocation practices, all aimed at enhancing our operational efficiency.

**Green IT Practices:** Promoting green IT practices to reduce energy consumption related to information technology. This includes using energy-efficient hardware, virtualisation, cloud computing, and increased digitisation for paperless processing. We also leverage technologies such as AI, and ML to automate processes and consolidate servers, minimising energy usage in data centres and IT infrastructure.

Our energy management initiatives reflect our commitment to optimising energy consumption, reducing greenhouse gas emissions, and promoting sustainability. Through these initiatives, employee engagement, and transparent reporting, we aim to minimise our environmental impact and contribute to a low-carbon future. Our holistic approach to energy management aligns with our broader sustainability objectives and showcases our dedication to responsible and sustainable business practices, reinforcing the trust our stakeholders place in us.

## CLIMATE CHANGE & EMISSIONS MANAGEMENT

We recognise the importance of minimising our climate impact and managing climate-related risks, such as reducing greenhouse gas (GHG) emissions to mitigate environmental impacts. As part of our commitment to the environment, we conscientiously measure and manage our GHG emissions. We have assessed our GHG emissions to understand our contributions and integrated initiatives into our business practices to guide a smooth transition toward a low-carbon economy.

To quantify and understand the greenhouse gas (GHG) emissions from our operations, we conducted a comprehensive assessment covering both our operations and the value chain. The current assessment focusses on Scope 2 and Scope 3 emissions as defined by the Greenhouse Gas Protocol. Since our operations are based in leased office buildings, we do not have direct emission sources. Based on our feasibility studies, we have begun monitoring fugitive emissions (covered under Scope 1) generated by our operations and plan to start reporting on these emissions in the next financial year.

From FY 2022 to FY 2024, we have made conscious efforts to reduce our overall CO<sub>2</sub> emissions. Our electricity consumption is regularly monitored, as 100% of the workforce has returned to the office after the pandemic.

We continuously demonstrate our commitment to driving environmental change and contributing to a more sustainable future through ongoing evaluation and monitoring of our progress toward a low-carbon economy. By collaborating with stakeholders and integrating environmentally friendly practices into our operations, we aim to reduce negative environmental impacts and enhance our positive contributions.

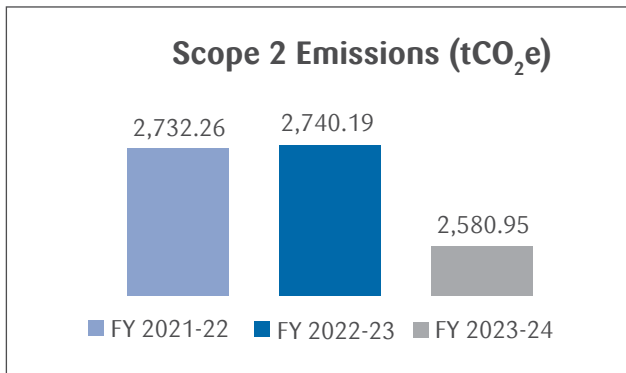
### 6%

Reduction in Scope 2 emission in FY 2023-24

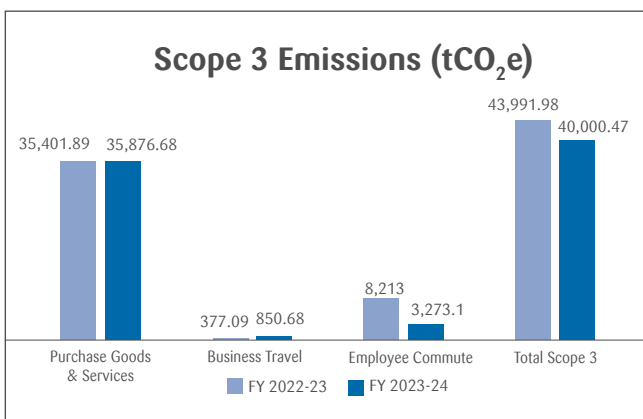
### 9%

Reduction in Scope 3 emissions in FY 2023-24





GHG emission<sup>7</sup>



\*The Scope 3 emissions values for the previous year have been restated due to a revision in our calculation methodology. This new methodology incorporates updated emission factors and improved data accuracy, leading to more precise reporting. Original reported values have been adjusted accordingly to reflect these changes.

The GHG Emission intensity is 0.000000148 & 0.000000192 tonnes of CO<sub>2</sub> per rupee of turnover for FY 2023-24 & FY 2022-23 respectively<sup>8</sup>.

**CALCULATION METHODOLOGY**

We ensure adherence to appropriate methodologies and standards aligned with current and emerging regulations and technological advances, to calculate our GHG emissions. We collect relevant data on energy consumption, business travel, and other emission sources across our operations, including those from vendors and suppliers. Transparency and accountability are paramount as we regularly report our GHG emissions to track our progress in reducing them.

FY 2019-20 serves as our baseline year for measuring emissions in alignment with our targets. GHG emissions data is captured following the guidelines of the Global Reporting Initiative and the Greenhouse Gas Protocol, to the extent feasible, and calculated using emission factors specified by CEA. Quantitative values for identified categories are obtained from SBI Card internal business data management systems, such as purchase invoices and electricity bills. This year, SBI Card conducted a comprehensive Scope 3 emission assessment and incorporated Scope 3 emissions into our overall GHG Inventory. During the assessment of 15 categories proposed by GHG protocol for Scope 3 Emissions, 3 relevant categories were identified and the details for the same have been mentioned below:

- Purchased Goods and Services
- Business Travel
- Employee Commute

We use standard emission factors based on data from verified sources such as CEA, Exiobase, The India GHG Inventory Program, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition), and Technical Guidance for Calculating Scope 3 Emissions.

**Category 1: Purchased Goods and Services**

**Category description:** This category encompasses activities related to the extraction, production, and transportation of goods and services procured or acquired by the reporting company during the reporting year. It includes items not covered in Categories 2 to 8.

**SBIC Methodology:** Each purchased goods and services, including products, is matched with CO<sub>2</sub> eq/kg factors obtained from Exiobase databases, taking into account spend-based information. These databases are regularly updated to ensure up-to-date CO<sub>2</sub> eq/kg factors for all materials and services used.

**Category 6: Business Travel**

**Category description:** This category includes activities related to the transportation of employees for business-related purposes using vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars.

**SBIC Methodology:** Each mode of transportation used by employees for business purposes is matched with CO<sub>2</sub> eq/kg factors extracted from the India GHG program databases. These factors are mapped based on the distances between the origin and destination locations.

<sup>7</sup> GRI 305 - 2,3

<sup>8</sup> GRI 305-4

## Category 7: Employee Commuting

**Category Description:** This category encompasses activities related to the transportation of employees between their homes and their workplaces.

**SBIC Methodology:** A survey was conducted across all locations to gather data on employee commuting modes and distances. The survey responses were extrapolated to calculate details related to employee commuting. Each mode of transportation used by employees is matched with CO<sub>2</sub> eq/kg factors from the India GHG program databases, based on distances between homes, workplaces, and vice versa.

### GHG Emission Reduction:

Our dedicated journey towards reducing greenhouse gas (GHG) emissions and minimising our environmental footprint is a testament to upholding the trust of our stakeholders bestowed upon us. We are committed to transparently sharing our strategies and initiatives that underscore our pledge to environmental stewardship.

**Strategic Energy Efficiency:** Trust begins with accountability, and at SBI Card, we hold ourselves accountable for every kilowatt-hour of energy consumed. Our strategic focus on energy efficiency is evident in our meticulous efforts to optimise energy use across all our facilities and operations. By integrating state-of-the-art energy-efficient technologies, enhancing insulation, and modernising equipment, we ensure that our energy consumption is not only frugal but also environmentally benign. These measures are a cornerstone of our mission to reduce emissions and exemplify our commitment to the trust placed in us.

**Cultivating Trust Through Employee Empowerment:** Our employees are ambassadors of our environmental ethos, and their engagement is pivotal in lowering our collective carbon footprint. We invest in this belief by conducting regular awareness workshops and training sessions designed to empower our employees with knowledge and skills in sustainable practices. Through these initiatives, we foster a culture of environmental responsibility where each employee is encouraged to contribute meaningfully to our carbon mitigation efforts.

We remain committed to being a trustworthy leader in environmental responsibility while delving our efforts with the same zeal and transparency that our stakeholders and the planet deserve.

## CARBON NEUTRALITY

We are deeply committed to combating climate change and achieving carbon neutrality by FY 2030. Operating within leased premises presents challenges in controlling our energy sources directly. However, we are proactively addressing this through investments in energy-efficient technologies, fostering a culture of sustainability among our employees, and exploring renewable energy options with building developers. Collaborating with landlords to enhance environmental performance and engaging in external offset programs further strengthens our sustainability efforts. Our strategy emphasises transparency and accountability, with a clear plan underway to reach carbon neutrality. This commitment fulfils our environmental responsibilities and reflects our dedication to a sustainable future.



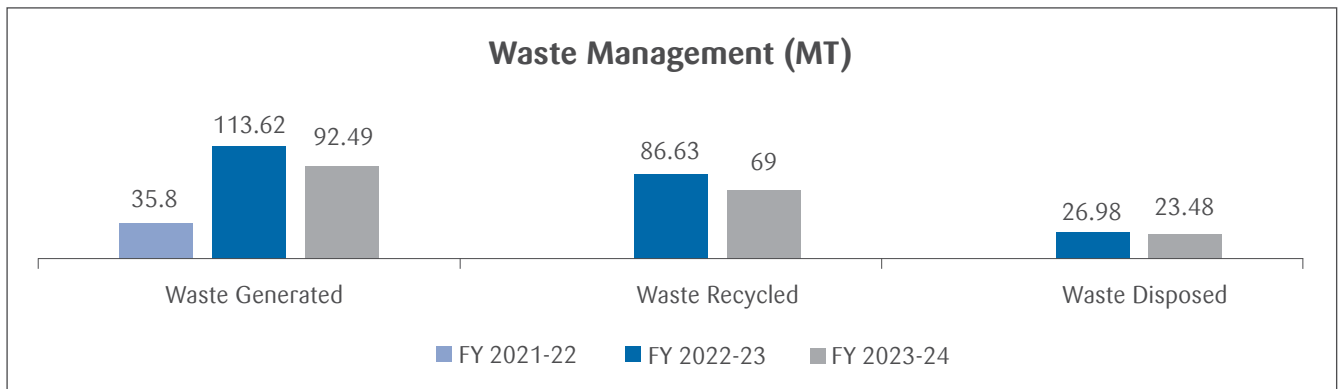
**WASTE MANAGEMENT**

As part of our transition to a circular economy, we are committed towards sustainable waste management through proper recycling, responsible disposal, and minimising waste generation.

The summary of our commitments is outlined below:

- Transitioning towards a circular economy by promoting recycling and reducing waste
- Ensuring environmentally responsible disposal practices
- Committed to comprehensive waste management and accurate tracking of waste metrics

To reduce our waste generation, we are dedicated to effective waste management practices and keep an account of Total Waste generated, Total Waste Recycled and Total Waste disposed, as summarised below:



Tracking of waste recycled and waste disposed has been initiated from FY 2022-23.

Different kinds of waste generated, recycled, and disposed for FY 2023-24 is as follows:

**Waste generations, disposal & recycling<sup>9</sup>**

WASTE CATEGORIES	WASTE GENERATED (MT)	WASTE DISPOSED (MT)	WASTE RECYCLED (MT)
Plastic waste	2.070	1.507	0.563
E-waste	4.139	0.139	4.000
Biomedical waste	0.045	0.045	-
Battery waste	-	-	-
Other Non-hazardous waste- Food waste	86.244	21.798	64.446

**Segregation at Source:** We advocate for waste segregation at the origin, urging staff members to sort the waste into three distinct classifications: paper, plastic, and biodegradable materials. This initiative streamlines waste handling processes while augmenting the potential for recycling.

**Paperless Operations:** In our pursuit of a paperless office culture, we are minimising printed materials by limiting printer usage to essential large-volume tasks and promoting electronic methods for communications, including Customer Welcome Kits, E-Kits, E-Cards, Statements, and Pins. We encourage double-sided printing among employees and have implemented the "Follow Me" printing system to reduce paper consumption by ensuring print jobs are released only when employees are present at the printer. These measures align with our

commitment to sustainability, reducing waste and supporting forest conservation. Looking ahead, we aim to adopt Forest Stewardship Council (FSC) certified paper to further enhance responsible resource usage at SBI Card.

**19%**

Reduction in waste generated in FY 2023-24

**21%**

Increase in waste recycled in FY 2023-24

<sup>9</sup>GRI 306 – 3,4,5



**6.7+** lakh

Trees saved since FY 2018

**~1.90** lakh

Trees saved through the implementation of our paper reduction initiatives in FY 2024 alone

**4.730** tCO<sub>2</sub>e

Emission checked through the usage of FSC-certified papers in FY 2023-24.

**Reduce, Reuse, and Recycling:** We place a strong emphasis on the principles of reducing, reusing, and recycling as part of our commitment to sustainability. We believe that by diligently applying the 3 R's, we can significantly minimise our environmental impact. We are dedicated to transparent and accountable practices that reflect our commitment to a sustainable future. Some key initiatives undertaken as follows:

- Discontinued the use of plastic water bottle in the office premises
- Replaced plastic cutlery in cafeteria with eco-friendly products
- Discontinued usage of Garbage bags <65 GSM

**CASE STUDY****Advancing Sustainability: SBI Card's Sanitary Pad Recycling Initiative**

**Executive Summary:** We have taken a significant step towards environmental sustainability by implementing a sanitary pad recycling program in its Gurugram and Delhi offices.

**Project Background:** The disposal of sanitary pads is a growing environmental concern, with these products contributing substantially to landfill waste. SBI Card recognised the need to tackle this issue head-on, aiming to reduce its environmental footprint and promote responsible waste management.

**Solution Implementation:** Introduced a comprehensive recycling program for sanitary pads in its offices. The initiative involves the segregation and proper recycling of these products, ensuring they are processed in an environmentally friendly manner.

**Outcomes and Impact:** The sanitary pad recycling initiative has yielded impressive results:

- **Carbon Emissions Reduction:** The program has led to a reduction of 86.04 kg of CO<sub>2</sub> emissions, mitigating the Company's impact on climate change.

- **Landfill Space Savings:** By recycling sanitary pads, SBI Card has saved approximately 804 Litres of landfill space, alleviating the burden on waste disposal facilities.

The initiative has not only reduced landfill waste and carbon emissions but also raised awareness about sustainable practices among employees and stakeholders.



CASE STUDY

## From Waste to Resource: SBI Card's Food Waste Recycling Program in Chennai

**Executive Summary:** We have implemented a forward-thinking food waste recycling program at our Chennai office, transforming organic waste into valuable fertiliser. The approach is an example to collaborative solution that has led to sustainable waste management and environmental benefits.

**Project Context:** The disposal of food waste is a critical environmental issue, contributing to increased greenhouse gas emissions and inefficient use of landfill space. We have identified the need to address this problem to enhance our sustainability efforts.



**Solution Implementation:** We have initiated a food waste recycling program in collaboration with the building management. The process involves the collection and decomposition of organic waste, which is then converted into nutrient-rich fertiliser. This fertiliser is used to nourish the planters located throughout the building and office floors.

**Outcomes and Impact:**

The food waste recycling initiative has had a significant impact:

- **Effective Waste Management:** Streamlined the management of food waste through recycling and composting, reducing the amount of waste sent to landfills.
- **Resource Conversion:** By turning food waste into organic fertiliser, the initiative has created a valuable resource, contributing to the building's greenery and promoting a circular economy.

The initiative exemplifies how sustainable practices can lead to positive environmental change and resource efficiency.

**Employee Engagement:** We promote environmental responsibility among the workforce through educational campaigns, training sessions, and interactive activities focussed on sustainable waste management and recycling.

**E-Waste Management:** In line with our commitment to environmental stewardship, we have adopted responsible practices for the disposal of electronic waste. In compliance with environmental regulations, we ensure that all e-waste generated from our operations is collected and processed by certified recycling firms. 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. This

strategy not only enables the extraction of valuable materials but also safeguards against the potential hazards of improper e-waste disposal.

The proactive approach to sustainable waste management reflects our dedication to environmental conservation and transparency. By prioritising recycling and waste reduction, we strive to reduce the ecological footprint and pave the way for a greener tomorrow. From a reporting standpoint, our comprehensive documentation and target-setting exemplify our commitment to meeting and exceeding waste management standards, thereby fostering a culture of accountability in our environmental initiatives.

## WATER CONSUMPTION

Our commitment to environmental sustainability focusses on critical areas like water security and stewardship. Recognising the importance of responsible water management, we strive to reduce risks, preserve water resources, and enhance community and ecosystem well-being. Water scarcity is a growing global concern vital for economic progress, communities, and biodiversity. Therefore, we actively promote water conservation and efficiency measures throughout our operations, implementing initiatives to decrease water consumption.

### Water Consumption & Withdrawal<sup>10</sup>

(in kilolitres)

	FY 2021-22	FY 2022-23	FY 2023-24
Drinking Water	866.3	1,223.24	1,351.64
Raw Water	-	25,002.23	24,225.59
<b>Total Water Consumption</b>	<b>866.3</b>	<b>26,225.47</b>	<b>25,577.23</b>

## CASE STUDY

### Water saving with implementation at Chennai Office

**Executive Summary:** SBI Card Chennai office has made a commendable advancement in water conservation by installing a Sewage Treatment Plant (STP). This initiative is expected to led significant water savings and sustainable water management practices.

**Project Context:** The Chennai office faced the challenge of excessive water consumption, particularly in common areas for cleaning and flushing purposes. Recognising the need for a sustainable approach, we came out with a solution that would address the immediate issue and adhere to our broader environmental goals.

**Solution Implementation:** The installation of an STP at the Chennai office marked a pivotal step towards water efficiency. The system recycles wastewater, allowing it to be reused for flushing and cleaning common areas.

**Outcomes and Savings:** The adoption of the STP has led to a remarkable 113 kilolitres of domestic water saved in the last quarter alone, upholding our commitment to responsible efficiency practices. Additionally, over 11,000 litres of water were conserved in Q3, 2024, further emphasising the success of the STP operationalisation.

**Impact:** The STP has had a profound impact on the office's water management:

- **Water Outflow Reduction:** There has been a 50% reduction in water outflow, underscoring the effectiveness of the recycling process.
- **Water Consumption:** The use of recycled water has substantially decreased the overall water consumption, highlighting the environmental benefits and cost savings.



<sup>10</sup>GRI 303-3,5

**WATER CONSERVATION AND EFFICIENCY**

We embrace water conservation and efficiency as key components of its operational strategy, underscoring a deep commitment to sustainable resource management within its leased facilities:

**Water-Saving Infrastructure:**  
Implementing advanced plumbing systems like aerated faucets, dual-flush toilets, and sensor-operated taps to significantly reduce water usage in our offices and shared spaces.

**Proactive Leak Management:**  
Conducting routine inspections and employing leak detection systems to swiftly identify and rectify water leaks, preventing wastage and preserving this vital resource.

**Recycling and Reutilisation Initiatives:** Promoting water recycling and reuse practices to reduce reliance on freshwater supplies and demonstrate commitment to sustainable water use.

**Water Stewardship in Leased Properties:**  
Collaborating with building management, including those with LEED Zero water certification, to enhance water conservation efforts despite operational limitations in leased properties.

**INNOVATIVE TECHNOLOGIES & PRODUCTS**

We prioritise product innovation with a focus on sustainable solutions that align with our customers' values. Our approach ensures our services meet current demands while contributing to ecological well-being.

Key elements of SBI Card product innovation strategy include:

**Eco-Conscious Product Design:** Integrating environmental considerations throughout the lifecycle of our credit cards by using eco-friendly design principles to minimise their ecological footprint.

**CASE STUDY**

Embracing sustainability, we have undertaken a pioneering initiative to develop cards made of recycled plastics. This eco-friendly move has significantly reduced our carbon footprint and checked the plastic waste generation. Our customers have lauded the effort and become more aware of changes they can make to reduce their own footprint. The recycled cards maintain the same security and durability standards, proving that environmental responsibility can coexist with financial innovation. Currently, the adoption of our recycled plastic cards has reached up to 8%, averaging 6% since November 2023.



**Embracing the Digital Shift:** Reducing the environmental impact of traditional transaction methods by offering electronic statements, facilitating online transactions, and providing virtual customer service options.

The commitment to product innovation reflects our resolve to create durable, environmentally sound solutions. Through green product designs and the promotion of digital services, we weave sustainability into our offerings and reinforce our dedication to a trustworthy future.

### LIFE CYCLE ASSESSMENT (LCA)

We recognise the importance of Life Cycle Assessment (LCA) in evaluating the environmental impact of our products. The LCA process helps pinpoint significant environmental impacts, gauge the overall ecological footprint of our offerings, and identify areas for improvement.

Key facets of our LCA methodology include:

#### Purpose of the LCA Study:

- Quantify the environmental repercussions from the production of SBI Card
- Ascertain the environmental impact per unit for PVC, Hololam, and Tungsten Metal Cards
- Identify primary environmental impact hotspots within a cradle-to-gate framework

**Scope and Boundary:** We conduct a Life Cycle Assessment (LCA) using a cradle-to-gate perspective as we do not manufacture the credit cards. This method focusses on the stages from raw material extraction to the cards leaving our key vendor's facility. By concentrating on our principal vendor, we can thoroughly evaluate and understand the environmental impacts of the production process, ensuring sustainability throughout our supply chain. This assessment enables us to make informed decisions and implement strategies that promote environmental responsibility and trust among our stakeholders.

**Impact Assessment Method:** We utilise the ReCiPe 2016 Midpoint, a renowned LCA impact assessment method, to translate life cycle inventory data into quantifiable environmental impacts. This method provides a comprehensive view of 18 midpoint and 3 endpoint indicators, reflecting the severity of environmental impacts across various categories.

**Standards Compliance:** We ensure our LCA study adheres to ISO 14040/44 standards for international consistency and credibility.

### Findings from the LCA Study:

Our commitment to environmental stewardship is evident in our sustainable card manufacturing practices. By repurposing or recycling 99% of waste from 100 kg of material input, we significantly minimise our environmental footprint. Our PVC and Hololam cards, designed with eco-conscious principles, reduce global warming impact by 58% and 56% respectively, compared to metal cards. They also show a 55% and 51% lower impact on fossil resource scarcity, and a 65% and 64% reduction in fine particulate matter formation.

Transitioning our manufacturing partner's facilities to 100% renewable energy sources could further cut the global warming impact of our card production. The result of the LCA study indicates that this shift has the potential to decrease the environmental footprint by an impressive 22-48%, depending on the card type. We leverage these insights to drive ongoing progress in product and service development, setting ambitious targets to reduce our environmental footprint, optimise resource utilisation, curtail emissions, and diminish waste, ensuring our products meet customer needs while contributing to a healthier planet.

### LOOKING FORWARD

Forging ahead with the commitment to sustainability, we are in the near finalisation of a forward-thinking carbon-neutral strategy. Central to this strategy is reducing our operational footprint through energy efficiency initiatives, green certifications, and the adoption of renewable energy sources to power our offices and locations.

Aligned with the same, we have successfully integrated climate risk considerations into our Enterprise Risk Management (ERM) framework, ensuring alignment with both the Reserve Bank of India's guidelines and the Task Force on Climate-related Financial Disclosures (TCFD) framework. This proactive stance on environmental responsibility positions us as a leader in the financial sector's transition to a more sustainable and resilient future. Our ambitious vision for the future symbolises our unwavering commitment to environmental stewardship, representing significant milestones in our journey to set new standards in sustainable practices within the financial industry.

# Reinforcing Trust through Societal Contributions

We recognise that our success is intricately linked to the well-being of our stakeholders. From serving our valued customers with convenient and secure solutions, empowering our dedicated employees and ensuring their welfare, to fostering the shared success of our suppliers and business partners, and supporting local communities, we strive to build trust through every interaction. To us, true convenience is not merely about simplifying services; it's about creating meaningful connections that reinforce trust and ensuring that the convenience we design into our services benefits all.



**MATERIAL TOPICS IN FOCUS**



Inclusion & Diversity



Employee Learning & Development



Employee Attraction & Retention / Future Workforce



Employee Engagement & Welfare



Employee Health & Safety



Consumer Financial Protection



Responsible Selling Practices

**DELIVERING ON OUR PROMISES: PROGRESS AGAINST TARGETS**

**GOALS**

Increase the proportion of women in permanent employees to 29% by FY 2027 and 35% by FY 2029.

Improve diversity by increasing Persons with Disabilities (PwD) workforce proportion in permanent employees to at least 1% by FY 2027.

Transform the education of 1 lakh individuals by FY 2027 and 5 lakh individuals by FY 2030 through CSR program.

Providing quality health care services to at least 50,000 individuals by strengthening health infrastructure by FY 2027.

**PROGRESS**

We have invested in our workforce, with a growing female representation of 27.74%.

We are moving towards expanding opportunities for People with Disabilities, with progress made under the policy approved under the Equal Opportunity and Inclusion for Persons with Disabilities (PWD) Act 2016.

16,000+ individuals educated, upskilled in future technologies with CSR initiatives in FY 2024.

16,000+ individuals already benefited in FY 2024.

**TRUST DRIVEN THROUGH CULTURE: UNLOCKING POTENTIAL OF DIVERSITY & INCLUSION**

We believe that fostering a culture of trust is fundamental to unlocking the true potential of our workforce. This commitment extends beyond simply providing a seat at the table; it's about creating an environment where all employees feel empowered to share their unique perspectives, ideas, and experiences which drives innovation, productivity, and talent retention – all of which contribute to our overall progress. We are actively working towards expanding opportunities for LGBTQ community and people with disabilities, with measurable progress made on the policy approved under the Equal Opportunity and Inclusion for Persons with Disabilities (PWD) Act 2016. In terms of our workforce, we operate exclusively in India and 100% of our workforce holds an Indian nationality.

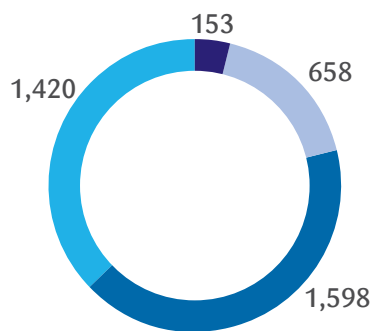


## CODE OF CONDUCT - FAIR EMPLOYMENT PRACTICES

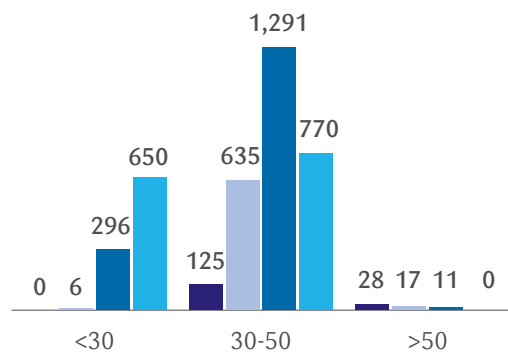
We extend equal opportunity, fair treatment and a harassment-free work environment to all employees, co-workers, consultants and other business associates without regard to their race, colour, religion, national origin, sex (including pregnancy), sexual orientation, age, disability, or other characteristics protected by law. In addition, we ensure complying with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder.

## OUR WORKFORCE<sup>11</sup>

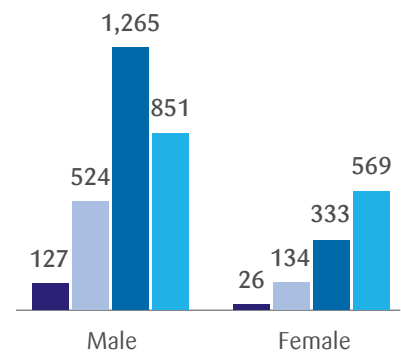
### Employees by Management Level



### Age Group



### Gender



● Senior Management    
 ● Middle Management    
 ● Junior Management    
 ● Non-Management

## INITIATIVES TO INCREASE WOMEN REPRESENTATION

Being a meritocratic organisation, we're proud of our growing female representation, currently at 27.74%. We are continuously working towards achieving greater gender parity and an even more inclusive environment. This dedication to equal treatment extends to all aspects of employment, from recruitment and promotion to compensation and training opportunities.

## WOMEN EMPLOYEES AT SBI CARD

### Diversity Indicators

**27.7%**

Women in all management positions, including junior, middle and top management

**20.8%**

Women in junior management positions, i.e. first level of management

**17%**

Women in top management positions, i.e. maximum two levels below the CEO or comparable positions

**12.3%**

Women in management positions in revenue-generating functions (e.g. sales) as % of all such managers

**16.8%**

Women in STEM-related positions

<sup>11</sup>GRI 2-7



## REMUNERATION AND COMPENSATION

Fostering a fair and equitable work environment is paramount to us. We believe in rewarding employees based on their performance and qualifications, regardless of gender. 100% employees irrespective of gender are being paid more than minimum wages<sup>12</sup>. To ensure transparency, we regularly monitor our progress and are continuously reviewing compensation practices to identify and address any potential pay gaps. Minimising gender pay gap is an ongoing process, but we are dedicated to making significant strides towards a future where equal work receives equal pay.

### Ratio of basic salary and remuneration of women to men<sup>14</sup>

Remuneration across workforce - Management level wise						
Employee Category	Average Basic Salary of Men (₹)	Average Basic Salary of Women (₹)	Average Remuneration of Men (₹)*	Average Remuneration of Women (₹)*	Ratio of Basic Salary of Women to Men	Ratio of Basic Remuneration of Women to Men
Senior Management	24,84,570.44	26,01,429.58	62,11,426.10	65,03,573.96	1.05	1.05
Mid Management	8,96,601.37	8,59,729.43	22,41,503.43	21,49,323.57	0.96	0.96
Junior Management	3,61,441.44	3,56,249.66	9,03,603.61	8,90,624.14	0.99	0.99
Non-Management	1,66,065.67	1,69,770.86	4,15,164.18	4,24,427.15	1.02	1.02
Worker	We do not engage any workers in our operations					

\*This is Total Fixed Pay as on March 31, 2024

We believe in investing in the well-being of our full-time employees. We offer a comprehensive benefits package designed to support them throughout their careers and personal lives. This includes paid parental leave for both mothers and fathers, allowing them to balance their work and family responsibilities during this delicate time.

We prioritise the safety, security, growth, and empowerment of our employees through our holistic health and well-being initiatives.

- 1. Medical Security:** Offering comprehensive medical insurance for employees and their families, covering hospitalisation, life insurance, personal accidents, OPD, and dental care. Further, top-up coverage for critical illnesses and optional coverage for additional parents are also provided.
- 2. Life 2.0: A Well-being Journey:** Focussing on employee well-being through five pillars: Spiritual, Professional, Personal, Intellectual, and Environmental wellness, offering webinars, events, on-site OPDs, physical activities, and wellness camps.
- 3. Anytime, Anywhere Care:** Teleconsultation services for employees and their families to consult doctors virtually irrespective of time and place.

<sup>12</sup> GRI 202-1

<sup>13</sup> GRI 202-1

<sup>14</sup> GRI 405-2

<sup>15</sup> GRI 401-3

### Remuneration across workforce - Gender wise<sup>13</sup>

(in ₹)

EMPLOYEE LEVEL	AVERAGE WOMEN SALARY	AVERAGE MEN SALARY
Executive level (base salary only)	1,33,44,467	1,29,95,847
Executive level (base salary + other cash incentives)	1,69,23,396	1,64,92,284
Management level (base salary only)	14,17,357	15,71,883
Management level (base salary + other cash incentives)	16,45,716	18,44,349
Non-management level (base salary only)	4,77,953	4,68,229

**4. Mental Health Matters:** Our Employee Assistance Program offers unlimited consultations with psychologists, psychiatrists, wellness coaches, and legal counsellors.

**5. Preventive Care:** Annual health checks help employees understand their health status and take proactive measures.

**6. Convenience at Your Fingertips:** All health and wellness services are accessible through our mobile application.

#### Employee Support Programs:

**1. Day Care Support:** We offer day-care benefits to provide emotional and financial security for working parents.

**2. Advancement Opportunities:** Our advanced education policy empowers employees to pursue personal and professional growth.

#### Recognition and Reward:

**1. R&R Framework:** We believe in recognising and appreciating the contributions of our employees through a comprehensive R&R framework that includes both monetary and non-monetary awards, spanning monthly, quarterly, annual, and long service recognition programs.

During FY 2023-24, out of the total entitled male and female employees, 7.12% of male and 6.03% female employees availed parental leave. 100% of male and female employees who took parental leaves returned after their parental leave ended. Further 78.79% male and 53.85% female employees have been working for more than a year post their return from leave in the prior reporting year<sup>15</sup>.

**EQUIPPING WORKFORCE FOR SUCCESS: APPROACH FOR LEARNING & DEVELOPMENT**

We empower our workforce with diverse learning formats to maintain our competitive edge and deliver exceptional customer service. Our comprehensive training programs cover critical areas such as Information & Cyber Security, Anti-Money Laundering, Code of Conduct, Insider Trading, Prevention of Sexual Harassment, Fraud Awareness, Financial Literacy, and more, achieving 100% coverage across all levels. These initiatives are aligned with a structured framework that supports

skilling and upskilling based on employees' roles and tenure, driving revenue growth, process improvement, trust-building, and operational efficiency.

**Enhancing Learning & Development Technologies:** Our introduction of AI-powered Learning Management System (LMS) and Learning Experience Platform (LX) enables hyper-personalised learning experiences. These platforms recommend tailored content based on individual interests and career aspirations, offering personalised career paths to enhance professional growth for every employee.



- SBI Card prioritised employee growth by investing 1.4 lakh + learning hours in training for our full-time workforce during FY 2023-24
- On an average each employee received 38.39 hours of training, fostering a skilled and knowledgeable workforce
- Employees received 85,000+ hours of offline and 61,000+ hours of online trainings
- Average ₹ 15,403 amount spent per FTE on training and development

**TRAINING & EDUCATION**

(Average Learning Hours)

S.NO.	EMPLOYEE TYPE <sup>16</sup>	MANAGEMENT LEVEL	FY 2022-23		FY 2023-24	
			MALE	FEMALE	MALE	FEMALE
1		Senior Management	41	38	45.49	52.07
2	Permanent Employees	Middle Management	33	34	42.11	37.38
3		Junior Management	29	33	41.02	43.47
4		Non-Management	25	25	33.40	31.63

Diverse Trainings - SBI Card do not provide transition assistance<sup>17</sup>.

We recognise the importance of equipping our employees with the skills and knowledge they need to thrive in the industry. To achieve this, we offer a diverse range of employee development programs, catering to various skill levels and roles.

**COPC Model Adoption:** The Customer Service Monitoring Unit embraced a new training method – the Customer Operations Performance Centre (COPC) Model. This industry best practice for quality management focusses on techniques that drive customer service improvement.

To support the successful implementation of the COPC Model, six Customer Operations Performance Centre (COPC) Functional Training Members received certification. These certified trainers partnered with the Customer Service function to drive improvements at both the program and individual agent levels. This resulted in a 100% certification rate for all new

customer service hires, ensuring they possess the necessary skills to deliver exceptional services.

**Career Development:** We believe in empowering every employee to reach their full potential. This translates into a commitment to regular performance reviews and career development discussions. This is a core principle of our inclusive work environment, and we actively encourage participation from all genders.

In FY 2023-24, we ensured that 100% of our eligible employees received these reviews, ensuring equal access to feedback and development opportunities. We are proud to report that 98.5% of our eligible female employees and 98.2% of male employees participated in performance and career development reviews to reach their full potential and contribute meaningfully to theirs and the organisation's success.

<sup>16</sup> GRI 404-1

<sup>17</sup> GRI 404-2

## Career Development Reviews of Employees<sup>18</sup>

FY 2023-24: Percentage of total employees by gender and by employee category who received regular performance and career development

Employee category	Male (Nos.)	Female (Nos.)	Total (Nos.)	Male (%)	Female (%)	Total (%)	
Permanent Employees	Senior Management	126	26	152	82.89%	17.11%	100.00%
	Middle Management	513	133	646	79.41%	20.59%	100.00%
	Junior Management	1190	314	1504	79.12%	20.88%	100.00%
	Non-Management	787	518	1305	60.31%	39.69%	100.00%
	<b>Total</b>	<b>2616</b>	<b>991</b>	<b>3607</b>	<b>72.53%</b>	<b>27.47%</b>	<b>100.00%</b>

### THE COLLABORATIVE ADVANTAGE: OUR STRATEGY FOR ATTRACTING AND RETAINING TALENT<sup>19</sup>

Fulfilling our commitment to attract and retain top talent, we proudly welcomed 653 talented individuals to our expanding team, enriching our workforce with diverse perspectives and expertise throughout FY 2024. As we continue to foster a positive and rewarding work environment, we acknowledge that occasional employee turnover is a natural part of our growth and evolution.

None of our employees are affiliated with any associations or Trade Unions<sup>20</sup>.

In FY 2024, our permanent employee turnover rate was 18.77%. We constantly evaluate our employee engagement strategies and talent management practices to foster a culture of continuous learning and development, minimising turnover and maximising the potential of our workforce. We are fostering a diverse and inclusive workplace. We currently have a Women's Network (AIM) established by our dedicated in-house team as well. Voluntary employee turnover rate was 18%.

### NEW HIRES AT SBI CARD

NEW HIRES	Age Group			Gender		FY 2023-24
	<30	30-50	>50	M	F	Total
Senior Management	-	7	3	10	-	10
Middle Management	3	75	1	64	15	79
Junior Management	127	168	-	238	57	295
Non-Management	209	60	-	146	123	269
<b>Total</b>	<b>339</b>	<b>310</b>	<b>4</b>	<b>458</b>	<b>195</b>	<b>653</b>

The '**AMIGO**' initiative is a one-on-one mentoring approach for the onboarding of new employees. It serves as a buddy system for newcomers, designed to prevent early turnover by ensuring they receive personalised support and guidance as they acclimate to our organisation.

### EMPLOYEE TURNOVER RATE

Net employment turnover	Age Group			Gender		Total FY 2023-24
Breakup of personnel leaving the organisation	<30	30-50	>50	Males	Females	
Senior Management	-	16	5	19	2	21
Middle Management	1	99	2	80	22	102
Junior Management	50	246	2	256	42	298
Non-Management	159	146	-	191	114	305

<sup>18</sup> GRI 404-3

<sup>19</sup> GRI 401-1

<sup>20</sup> GRI 407-1

**Employee Satisfaction Measurement**

A strong sense of employee engagement is crucial for building trust within an organisation. By actively listening to our employees' voices and taking action on their feedback, we demonstrate our commitment to their well-being and professional growth. This focus on employee engagement ultimately strengthens our foundation of trust, leading to a more successful organisation.

The 'iCare' Survey is an internal evaluation managed by the Human Resources team, which is executed every quarter targeting employee at the Assistant Manager level and above. It gathers insights on various aspects such as Leadership/Supervisor, Work Environment, Rewards & Recognition, Engagement Index, Work-Life Balance and Job Satisfaction. In response to the feedback, an annual action plan is formulated in partnership with the leadership and is diligently tracked and monitored until the following quarter.

**BUILDING A SAFE AND SECURE WORKPLACE:  
COLLEAGUE HEALTH & SAFETY**

We believe that a safe and secure workplace is not only essential for physical health, but also lays the foundation for a positive and productive work experience. Our "Building a Safe and Secure Workplace" approach encompasses physical safety measures, mental health initiatives, and a culture of risk awareness. We recognise the importance of employee safety and well-being, even though the services industry generally poses lower risks of occupational hazards. We are committed to creating a safe and healthy environment for everyone who interacts with SBI Card both internal and external stakeholders like employees, contractors, customers, and suppliers.

While occupational health and safety risks are generally lower in the services industry, we take the responsibility as a corporate citizen very seriously. We do not have any Occupational health and safety management system in place, and the nature of work doesn't expose employees to any hazards/ hazardous situations<sup>21</sup>. We go beyond the expected by prioritising the well-being of our employees through multiple initiatives.

**Zero**

Cases of fatalities for the last three years.

**Emergency Preparedness:** We provide occupational health and safety training drills and share regular awareness emails to equip employees to mitigate potential risks in their daily work.

**Regular Safety Communication:** We keep everyone informed by circulating updates and advisories on earthquake preparedness, smog alerts, road safety, fire safety, flood warnings, and other relevant topics.

**Emergency Drills:** Fire and medical emergency drills are conducted regularly, ensuring employees are prepared to respond effectively in critical situations.

We acknowledge the growing concerns around ergonomic stress, lifestyle diseases, and mental health challenges that can impact our workforce. In response, we have implemented comprehensive initiatives focussing on fostering a healthy work-life balance:

- **Flexible Working Hours:** Providing employees with greater control over their schedules helps reduce stress and improves overall well-being.
- **Enhanced Insurance Coverage:** We offer comprehensive health insurance with increased coverage limits, extending to employees' parents, demonstrating our commitment to their holistic well-being.
- **Open Communication:** Regular employee town halls across India and quarterly Senior Management connects foster open dialogue, increase face-to-face interaction, and enhance employee visibility.



<sup>21</sup> GRI 403-1, 403-2, 403-3, 403-7.

### Leadership & Accountability for Colleague Health & Safety

- **Standardised EHS Checklists:** Our office environments are built and maintained to comply with the highest industry standards for safety and health.
- **Regular Self-Audits:** Quarterly internal self-audits conducted by experienced professionals ensure consistent adherence to established EHS parameters.
- **Continuous Improvement:** We utilise self-audit findings to identify areas for improvement and implement necessary changes in the office environment to enhance employee health and safety.
- **Collaborative Accountability:** SBI Card takes full accountability for health and safety matters, ensuring that industry standards and best practices are diligently implemented.

Our absentee rate for employees is 2% in FY 2023-24.

**Zero Reportable Injuries, Zero Fatalities and Zero Near misses/Hazard report<sup>22</sup>.**

### BUILDING RELATIONSHIPS, BUILDING TRUST: A CUSTOMER-CENTRIC APPROACH

Our core values are the foundation upon which we build trust with our customers. We are committed to providing a superior customer experience built on two pillars: convenience and trust.

**Customer First** is not just a motto, it's the driving force behind every decision we make.

**Respect for All**, ensuring a positive and inclusive experience for every customer we interact with.

**Lead with Courage** translates into a commitment to innovation and continuous improvement, allowing us to develop solutions that truly meet evolving customer needs.

**Acting with Integrity** ensures transparency and fairness in all our dealings, fostering a sense of security and reliability with our customers.

Ultimately, by integrating these core values into a **Customer-Centric** approach, we strive to **Earn Trust** – the cornerstone of a successful and sustainable relationship with our valued customers.

#### Proactive Customer Support – Always Here for You

Our dedicated customer support team is available 24\*7 across various channels, including phone, email, and online chat. Our highly trained representatives are committed to addressing customer enquiries promptly and effectively. We leverage innovative technology solutions to provide self-service options and interactive tools, empowering customers to find quick and convenient answers to their questions.

### AUTOMATION AND STREAMLINING OUR SOCIAL MEDIA CUSTOMER SERVICE

#### Our Interventions:

1. **Content Crawling & Ticket Creation:** Automatic identification and creation of social media tickets for customer enquiries.
2. **Automated Reminders:** Sending automated reminders to customers to provide contact details if they haven't already.
3. **Auto-Allocation and Single Agent Interface:** Assigning cases to appropriate customer service agents (CSAs) and providing a central interface to manage all social media interactions.

#### Our Impact:

1. **Reduced Resolution Time by 71%:** The average resolution time for social media enquiries decreased after implementing our tool.

All the initiatives demonstrate the effectiveness of our interventions in improving social media customer service response times. By automating tasks and streamlining workflows, we have significantly reduced resolution times and improve customer satisfaction.

<sup>22</sup> GRI 403-9, GRI 403-10

### Customer Data Privacy & Security – Keeping Your Information Safe

Ensuring robust protection of customer data is our priority. We implement comprehensive data security measures across our organisation, adhering strictly to regulations and industry standards to safeguard the confidentiality and integrity of your personal information. In case of any security breach, we are fully prepared to demonstrate compliance with our information security program and policies, promptly addressing any concerns or grievances through designated personnel, including a Grievance Officer dedicated to resolving issues within one month of receiving a grievance.

[Privacy Policy | SBI Card.](#)

To ensure enforcement of the Standards, Privacy Leader in consultation with the appropriate Legal Counsel, Regulatory Officer and Compliance Officer will identify Provider and Employment Data procedures which are audited on periodic basis.

### Responsible Selling Practices

We prioritise ethical behaviour throughout our sales process, viewing it as crucial not only for regulatory compliance but also for building enduring trust with our customers.

- **Customer Needs First:** Our sales representatives are trained to prioritise customer needs and financial well-being. They actively listen and understand each customer's unique circumstances before recommending products or services.
- **Transparent Communication:** We provide clear and accurate information about our credit card products, including features, benefits, interest rates, fees, and repayment terms. Customers are empowered to make informed decisions based on a complete understanding of the product. SBI Card is committed to fairness, transparency, and honesty in the provision of our products and services. We have adopted and implemented a Fair Practice Code, as per the guidelines of the Reserve Bank of India.

This Code has been approved by our Board of Directors and is available in English as well as in eight regional languages for better awareness.

[Our Fair Practice Code | SBI Card.](#)

- **Responsible Lending:** We adhere to strict credit assessment processes to ensure customers receive credit products that align with their financial capabilities. We are committed to promoting responsible borrowing and avoiding over-indebtedness.
- **Product Suitability:** Our sales representatives are trained to recommend products that are well-suited to each customer's unique financial situation and goals. We do not promote misrepresenting product features or pressuring customers into unsuitable options.



- **Ethical Conduct:** SBI Card has a zero-tolerance policy for unethical sales practices. Our representatives are trained on ethical behaviour and expected to conduct themselves with integrity throughout the sales process.

SBI Card is a dedicated credit card issuer that specialises in providing credit card services to its customers. We acknowledge the importance of financial inclusion and the positive impact it can have on communities and economies at large. However, due to the specialised nature of our business operations, we have determined that initiatives aimed at financial inclusion fall outside the scope of our core business activities and are not material to our business strategy.

**INTERVENTIONS TOWARDS REDUCING MIS SELLING COMPLAINTS AND ENHANCING CUSTOMER EXPERIENCE.**

This project was conceptualised to address the reduction of unnecessary flow of Mis-Sell Service Requests (SRs) by analysing and eliminating the major contributing factors causing Mis-Sell complaints. We implemented a Lean project using Kaizen approach focussed on analysing and eliminating the root causes of mis-selling complaints raised by customer service agents. This initiative utilised digital interventions to improve the customer experience and ensure compliance with regulations. Through focussed intervention, team has been able to reduce the mis-sell count by 88.18%.

*Depending on the gravity of charges, investigation committee may recommend different categories of disciplinary actions on the basis of major and minor misconduct.*

As we are a service-based company, assessment of the health and safety impacts of product and service categories is not applicable to us.<sup>23</sup>

**Customer Relationship Management**

In FY 2024, we implemented a rigorous Customer Relationship Management (CRM) strategy focussed on minimising customer dissatisfaction. Our dedication is reflected in our Detractor Score (DSAT) target of 5% or lower, a key metric that gauge’s customer sentiment. We are proud to report that we surpassed this target, achieving a DSAT of 4.62%.

**UPHOLDING HUMAN RIGHTS: OUR COMMITMENT TO RESPONSIBLE PRACTICES**

We are committed to upholding human rights as a fundamental principle guiding our operations. As a participant in United Nations Global Compact (UNGC), we actively embrace the organisation's ten principles, including those related to anti-corruption, labour standards, human rights, and environmental sustainability. These principles are embedded within our comprehensive Code of Conduct and materiality assessment which serves as a roadmap for ethical behavior for all employees and our organisation.

**Embedding Respectful Practices**

Our Code of Conduct emphasises adherence to fair employment practices, prohibiting discrimination and sexual harassment in all aspects of our work environment. We conduct regular training sessions for all employees, ensuring a thorough understanding of their rights and responsibilities under the Code. This training focusses on building a workplace

culture of respect, inclusion, and zero tolerance for any form of harassment or discrimination.

We provide a safe and inclusive environment free from any form of harassment or discrimination. Our operations prohibit both sexual and non-sexual harassment, ensuring equal opportunity and fair treatment for all employees, co-workers, consultants, and business associates.

This commitment is further bolstered by our comprehensive Policy for the Prevention, Prohibition, and Redressal of Sexual Harassment of Women at Workplace, which aligns with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act of 2013. This policy empowers women to work in a safe environment, free from sexual harassment.

During the fiscal year 2023-24, there were zero incidents of discrimination<sup>24</sup>. We continue to sensitise employees with regular email awareness campaigns targeted to foster an inclusive environment.

We are a service-based company hence does not involve any community engagements due to our operations, and hence we have no reported incidents of violations involving rights of indigenous people<sup>25</sup>.

All of our employees receive Human rights training as a part of our Code of Conduct training module. During FY 2023-24, all employees received training on Code of Conduct emphasising on adherence to fair employment practices, including avoidance of discrimination and sexual harassment everywhere within the Company and at places of work and business. This was done to ensure that employees are aware of the significance of the issue<sup>26</sup>.



<sup>23</sup> GRI 416

<sup>24</sup> GRI 406-1

<sup>25</sup> GRI 411-1

<sup>26</sup> GRI 412

**PARTNERING FOR SUSTAINABILITY: SUPPLY CHAIN MANAGEMENT**

We recognise that our commitment to sustainability extends beyond our own operations. A responsible supply chain is essential for building a truly sustainable future. This is why we prioritise partnering for sustainability with our suppliers. We are committed to supporting local businesses and communities. 7% of our spending on input materials goes to local or small-scale suppliers<sup>27</sup>.

This collaborative approach involves working closely with our partners to ensure that they adhere to high ethical and environmental standards. Through this partnership, we aim to:

- **Promote Responsible Practices:** Encourage our suppliers to embrace responsible sourcing practices that minimise environmental impact and ensure fair labour conditions throughout the supply chain.
- **Drive Transparency:** Collaborate with suppliers to increase transparency across the supply chain, allowing us to identify and address potential sustainability risks.
- **Foster Innovation:** Work together with suppliers to develop innovative solutions that promote sustainable practices and enhance overall efficiency in the supply chain.

Here's how we are integrating ESG considerations into our vendor selection and management processes:

- **Target for ESG Assessment:** We have set an ambitious target to establish a comprehensive ESG assessment process for our value chain by FY 2025. This process will evaluate suppliers' environmental practices, social responsibility initiatives, and governance structures<sup>28</sup>.
- **Promoting ESG Awareness:** We actively engage with our suppliers on ESG matters and run awareness campaigns through e-mails.
- **Contractual Obligations:** All our agreements and contracts include a clause requiring third-party vendors to confirm compliance with applicable laws, regulations, and SBI Card standards related to labour, environment, health and safety, intellectual property rights, and anti-bribery measure.
- **Supplier Code of Conduct:** Our Supplier Code of Conduct outlines our expectations regarding ethical behaviour, fair labour practices, anti-discrimination, and prevention of harassment. By adhering to these principles, we ensure our suppliers operate responsibly and contribute positively to society.

We engage with suppliers that agree to comply with our Code of Conduct including prohibitions on child, forced, or compulsory labour<sup>29</sup>.



<sup>27</sup> GRI 204-1

<sup>28</sup> GRI 414-1 & GRI 308-1

<sup>29</sup> GRI 408, 409





**COMMUNITY ENGAGEMENT**

**Corporate Social Responsibility<sup>30</sup>**

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 rural development, addressing environmental concerns, and 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.

**SDG alignment**



<sup>30</sup> GRI 413

Overall Impact

INVESTED TOWARDS OUR COMMITMENT TO CSR IN FY 2023-24	TOTAL DIRECT BENEFICIARIES OF ALL EDUCATION & SKILLING PROJECTS	TOTAL DIRECT BENEFICIARIES OF ALL HEALTHCARE & DISASTER PROJECTS	SUPPORTED INDIVIDUALS IN RURAL AREA THROUGH IMPLEMENTATION OF SMART AND MODERN INFRASTRUCTURE PROJECTS	ENVIRONMENT RESTORATION INITIATIVES
₹ 43.74 crore	61,469	1,18,913	3,230	Approx. 64,670 tonnes of CO <sub>2</sub> emissions reduced

Focus Areas

- Education • Environment • Healthcare • Skill Development • Rural Development

 EDUCATION

Our educational initiatives are aligned with technological trends, enhancing digital infrastructure and embracing new pedagogies. We build expressive autonomy and provide access to education for children from low-income groups. By developing digital classrooms and tinkering labs in Government schools, we offer greater exposure to evolving learning experience to the students.



Infrastructure (Solar support)	Tinkering Labs	Overall Impact
<p><b>20 Government schools</b> across Delhi and Haryana were equipped with solar plants</p> <p><b>12,434 students benefited</b> through infrastructure upgrades</p>	<p><b>50 tinkering labs supported</b> across Government schools in Delhi-NCR, Haryana, Assam, Punjab and UP</p> <p><b>12,438+ students</b> enrolled and trained across tinkering labs</p>	<p><b>59,643 students in 163 schools</b> across the country have been benefited through infrastructure upgradation, pedagogy support</p>



 ENVIRONMENT



Our commitment to sustainability drives an array of environment restoration initiatives tailored to specific geographic needs. We focus on renewable energy, curbing air pollution, efficient waste management, water security, carbon footprint reduction, and biodiversity protection. Through flagship initiatives like Project Mantra for Advance Sustainable Solution (MASS), we enhance solid and plastic waste management in cities, while also conducting informational activities to raise public awareness. These efforts align with our broader goal of promoting sustainable practices and making a positive impact on the environment.

<p><b>Impact through Solar projects</b></p>	<p><b>Water Conservation Structures</b></p>	<p><b>Afforestation</b></p>	<p><b>Groundwater recharge potential</b></p>
<p><b>1,870 kWp</b> grid-tied Solar PV plants designing, supplying, and commissioning</p>	<p><b>55 rainwater harvesting structures</b> established in the aspirational district of Nuh and Gurugram</p>	<p><b>2,32,015 saplings</b> planted/maintained across the country</p>	<p><b>~1,58,570 kilolitres</b> groundwater recharge envisioned through rainwater harvesting initiatives</p>
<p><b>Small scale solar projects</b></p>	<p><b>Electricity generation</b></p>	<p><b>Farmers Impacted</b></p>	<p><b>Impact through crop residue management</b></p>
<p><b>250 Kw solar panels</b> installed for small scale projects in schools, rural development infrastructure</p>	<p><b>1,370 kWp (750 kWp + 620 kWp)</b> plants commissioning of the resulted in the generation of 9,49,843 (kWh of power)</p>	<p><b>7,580 Farmers</b> have been impacted positively</p>	<p><b>44,300 tonnes</b> residual straw saved from burning</p>



**HEALTHCARE**

We have adopted a comprehensive healthcare approach to positively impact lives by providing infrastructure support in primary and critical healthcare facilities, as well as mother and child hospitals. Our initiatives also extend to mental health, youth well-being, elderly care, raising awareness on early cancer detection, and upgrading sub-centres in Nuh with telemedicine. These efforts aid government and charitable hospitals, enhancing their capacity and essential service delivery. This is particularly beneficial for marginalised communities, providing them with improved healthcare access.



**Infrastructure Support**

**30-Bedded**  
Mother and Child Hospital has been set up at Raiwala, Uttarakhand

**22 Health & Wellness Centres**  
supported with telemedicine

**Cancer Awareness**

**40+ Mobile Health Camps**  
conducted to enhance cancer awareness and enable early cancer detection across Malwa belt in Punjab

**Elderly Care**

**125 Individuals**  
identified for elderly support in Delhi and Garhmukteshwar (U.P.)

**Overall Project Impact**

**90,988+ Lives**  
impacted through multiple healthcare projects



**SKILL DEVELOPMENT**

We foster a skilled workforce by providing vocational training opportunities to youth, women, and differently abled individuals, promoting economic and social development. These initiatives equip individuals with essential skills and offer job prospects, contributing to national growth.



**Training Support in Healthcare**

**Training and placement**

support provided to youth in healthcare jobs in Haryana and Assam

**Establishment of Skilling Centres**

**'Centre of Excellence'**

established at Government Girls' College in Gurugram

Training provided in two Telecom sector job roles:

- In Store Promoter
- Customer Care Executive

**Vocational Training for Independence**

**Enabling Financial independence**

for differently abled youth through vocational skill building and placement support

**Training Program Outcomes**

**1,826** individuals trained in various domains



**RURAL DEVELOPMENT**

We focus on the holistic development of rural areas lagging in socio-economic progress by integrating health and education infrastructure and addressing environmental challenges. Additionally, we stimulate economic activities through social enterprise development for rural women, thereby improving the lives of people at the bottom of the pyramid



**Infrastructure Upgradation**

**Upgraded**

2 Government schools, Anganwadi's, hostel and community resource centre

**Establishment of Skilling Centres**

**76 women**

trained for pickle and stitching unit

**Water Conservation Efforts**

**3 ponds of 4,800 cubic metre depth**

constructed to capture rainwater in the water scarce regions

**Enabling Access to Renewable Energy**

**~ 50 Kw solar panels**

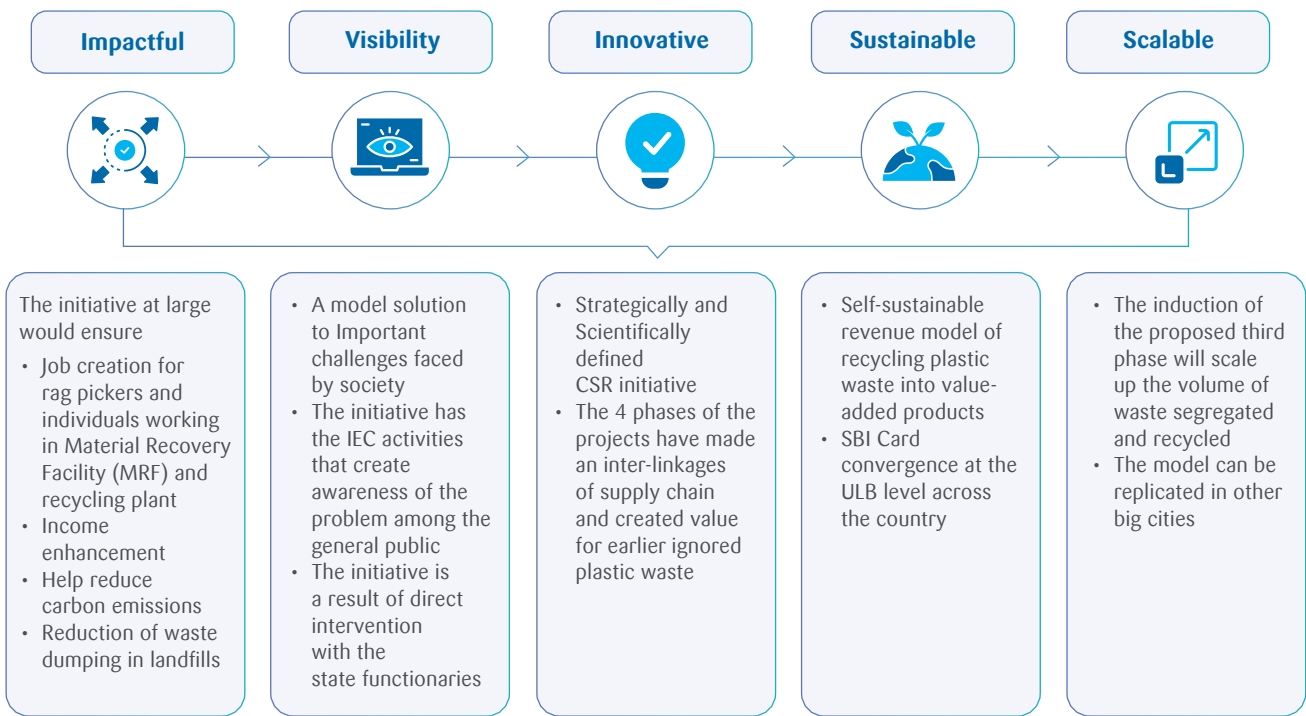
installed in multiple units in target villages for tapping renewable source of energy



**FLAGSHIP PROJECT**

We have initiated a flagship project MASS (Mantra for Advance Sustainable Solution) towards recycling non-commercial low-grade plastic waste along with motivating and educating consumers about waste segregation. The goal is to raise awareness while building capacities of waste workers for collecting and segregating plastic waste efficiently.

**Guiding Principles of Flagship Project**



**Background**

In 2021, we initiated a pilot project to tackle plastic waste management, partnering with the Indian Pollution Control Association. This project aimed to develop infrastructure for the segregation and recycling of plastic waste, with collaboration from the Municipal Corporation of Delhi.

**Phase 1 (2021)**

- Developed infrastructure for segregation (Material Recovery Facility - MRF) and recycling (Plastic Recovery Facility - PRF) of plastic waste
- Established one MRF with a capacity of 2 tonnes per day (TPD) and one PRF with a capacity of 35 metric tonnes (MT) per month
- Focussed on segregating dry waste and recycling plastic waste

**Phase 2 (January 2022)**

- Established two MRFs of 2 TPD each in Delhi and one solid waste MRF of 10 TPD in Greater Noida, Uttar Pradesh

- Catered to both dry and wet waste, with an added composting component at the MRFs
- Collaborated with the Municipal Corporation of Delhi and the Greater Noida Industrial Development Authority

**Phase 3 (February 2023)**

- In collaboration with Ghaziabad Nagar Nigam, set up one MRF of 50 TPD to manage solid waste in Ghaziabad
- Installed 100 Aerobin composters in 25 Resident Welfare Associations (RWAs) for decentralised wet waste management

**Phase 4 (January 2024)**

- Replicated the project in Patiala by setting up one Plastic Recycling Unit of 30 TPD and one MRF of 10 TPD
- Implemented decentralised waste management systems at 10 gated societies with 40 Aerobin composters
- Conducted large-scale awareness activities
- Supported Government Schools of Uttarakhand with 10,000 recycled plastic waste benches

## Overall Impact of Flagship Project

### Environmental

#### 19,726 metric tonnes

plastic waste has been recycled throughout the project duration at the recycling unit in Greater Noida

### Social

#### ~100 metric tonnes of solid waste

managed everyday through collection, segregation and recycling resulting in improving aesthetics of the city

The initiative has **reduced exposure to health-related hazards** of waste workers

### Economic

#### 75

direct regular jobs created.

#### 97 more people

projected to be employed in MASS

#### 90 m2 area in the next 13.5 years

can be optimised through leading to promotion of circular economy

#### 30,000+ households

reached and positively changed community behaviour about source segregation through multiple awareness activities

#### ₹ 250+ (up from ₹ 100)

daily earnings of the waste collectors through a sustainable supply chain by selling collected waste to MRFs

#### ~29,000 MT

plastic and other waste avoided from the landfills

#### Multiple awareness activities, FM campaigns and Capacity Building workshops

Held to encourage best practices to handle the waste among households and waste workers

#### Created a new industry

for plastic waste by developing household products from recycled plastic waste, providing income opportunities to multiple stakeholders in value chain

#### ~37,450 tonnes

reduced CO<sub>2</sub> emission by mitigating the issue of harmful landfill gases and open-air burning contributing to air pollution



## CSR IMPACT STORIES

### CII FOUNDATION SUCCESS STORY

“Thanks to the support received from SBI Card and the CII Foundation, we were able to get the necessary tools and training from volunteers and agricultural scientists for which we are incredibly grateful. This has been a boon for small farmers like me, enabling access to machinery at nominal charges that was previously unaffordable”- Devender Singh

In North India, farmers typically burn crop residue after paddy harvesting in October-November to save time and costs. This persists due to limited awareness about alternatives and a lack of necessary tools and machinery at the village level. To address air pollution and soil degradation, SBI Card has initiated a sustainable solution by providing farmers with farming equipment and offering technical support.

Devender Singh, a small-scale farmer with 3 acres of land from Balona village in Karnal, formerly adopted his father's practice of stubble burning for convenience. However, this led to reduced yields and increased agricultural input costs, including higher urea usage and water cycle disruptions. The absence of necessary equipment at Cooperative societies and Custom Hiring Centres (CHCs) further compounded challenges in wheat sowing, given the exorbitant machinery prices.



The intervention brought about a significant change for Devender. He received the necessary tools and training from volunteers and agricultural scientists. The project and its services were introduced to him and his fellow villagers through announcements made by an awareness van and volunteers. Compared to other service providers, the rent for these services was significantly lower, making it affordable for small landowners like Devender. The volunteers consistently provided feedback on the use of the equipment, ensuring the farmers were well-equipped to handle them. Today, seeking advice from the KVK scientists has become a routine part of Devender's farming practice, marking a significant shift from his earlier practices.

### TARUN BHARAT SANGH SUCCESS STORY

#### From a deserted piece of land to a green farmland

Jameel, a resident of Nimli village, faced significant challenges in ensuring water security for his farmland. With frequent electricity cuts, shared water resources, and uneven terrain, only a fraction of his land was irrigated. Adopting flood irrigation required the entire family's involvement, disrupting household chores for women. Despite considering purchasing pipes and sprinklers, Jameel was deterred by their high prices.



To address this issue, Jameel received support from SBI Card whereby sprinklers were provided based on 50% cost-sharing approach in partnership with Tarun Bharat Sangh. After installing the sprinklers, Jameel witnessed a remarkable improvement. Nearly half a Bigha of land was irrigated in just an hour, compared to previously irrigating 5 to 6 farm beds. Presently, irrigating 4 Bighas of land, doubling his previous coverage. This has led to increased yields of wheat, mustard, and onions, with improved crop quality.

Jameel's success didn't end there; he shared his equipment with a fellow farmer, further enhancing agricultural productivity in the community. His once barren land has transformed into a thriving green farmland, thanks to the installation of sprinklers as a part of SBI Card's project. Furthermore, Jameel's family engages in cultivating seasonal vegetables, with the sprinklers playing a vital role in pest control, ensuring healthy crops.



**MAMTA**

**A young women gets over depression**

Mrs. Gulafsa's (Name Change) journey began amidst the challenges of enduring mistreatment and abuse in her tumultuous marriage. Trapped in a cycle of emotional manipulation and threats, she found herself overwhelmed by feelings of isolation and helplessness. The final act of physical assault by her husband prompted her to seek refuge in her maternal home, where she faced new challenges of financial strain and social stigma.

It was in this vulnerable state that Mrs. Gulafsa's (Name Change) encountered SBI Card's supported programme on improving wellbeing and resilience among adolescents and young married women undertaken by MAMTA NGO. Through a self-reported

psychometric screening tool, she identified her need for assistance and found solace in a counselling session facilitated by MAMTA team. In this safe and nurturing environment, Mrs. Gulafsa (Name Change) courageously shared the harrowing details of her struggles, finding empathy and understanding.

MAMTA's commitment to Mrs. Gulafsa (Name Change) extended beyond the counselling session. Accompanying her to the Women and Child Development office, they encountered bureaucratic hurdles in processing her pension application. Through perseverance and assistance from an advocate and the Anganwadi supervisor, they overcame these obstacles, securing approval for Mrs. Gulafsa's (Name Change) pension benefits. Today, Mrs. Gulafsa (Name Change) finds herself in a more stable and hopeful position, having received confirmation of her pension approval and securing a small job. Grateful for the unwavering support and empowerment provided by the MAMTA & SBI Card Team, Mrs. Gulafsa (Name Change) now feels equipped with the strength and confidence to face any challenges that come her way.

*\* She is availing the services of pension scheme named "Delhi Pension Scheme to Women in Distress – Women & Child Development Department". Her age is 29 years.*



**HSSC**

**From Badli to Fortis - the transformative potential of skill development**

Dipali's journey from Badli village in Delhi to a promising career in the medical field is a testament to the transformative power of SBI Card's CSR initiative in collaboration with the Healthcare Sector Skill Council. Facing barriers due to lack of certification, Dipali found hope through the Skill India Gurugram centre's General Duty Assistant Advanced (GDA Advance) course, offered free of cost. This comprehensive program not only equipped her with essential medical skills but also polished her soft skills, instilling confidence. Following a successful internship, Dipali excelled in assessments and secured a coveted position at Fortis Hospital as a GDA staff member, earning a commendable monthly salary of ₹ 11,500. Her journey stands as an inspiring example of how SBI Card's CSR initiatives empower individuals and foster opportunities in the healthcare sector, bringing pride not only to Dipali but also to her family and community.



**NOIDA DEAF SOCIETY**

**A young-deaf man’s journey to success through inclusive training**

Kamran, a 28-year-old young man born deaf in Khatauli, Muzaffarnagar belongs to a humble family, where five out of eight members are also deaf. He has completed his 10<sup>th</sup> grade from deaf school and his primary mode of communication is Indian Sign Language. Kamran, like many deaf individuals, faced societal and workplace communication barriers, often exacerbated by the widespread lack of ISL knowledge.

To overcome these obstacles, Kamran enrolled himself in Noida Deaf Society’s Skill Development programme for deaf youth, supported by SBI Card. The project enhanced his livelihood and pre-employment skills through its courses - tailored for deaf individuals. Despite facing financial and communicational hurdles at home, his family’s unwavering support and encouragement created a nurturing environment, motivating Kamran to pursue his goals. Throughout his time at NDS, Kamran engaged in various activities that enhanced his job readiness and confidence, culminating in securing a job as an F&B Associate with Burger King in Khatauli.

The programme provided Kamran with comprehensive training and employment opportunities, fostering both personal and professional growth in an inclusive environment. Kamran's



success story is a testament to the transformative power of dedicated support and inclusive training, showcasing the relentless spirit of individuals like him. He expresses gratitude to the NDS programme and SBI Card, for making these life-changing opportunities possible.

**SANKALPTARU**

**Transformative power of sustainable farming**

Rohit Shriram Chavhan, a farmer from Maharashtra, faced challenges with traditional farming methods and crop cultivation. Seeking a more sustainable approach, Rohit transitioned to agroforestry by planting Guava saplings on his land, under SankalpTaru’s Rural Development Programme, supported by SBI Card. This strategic decision not only diversified his agricultural activities but also promised higher value and stability in income throughout the year.

The shift to fruit cultivation brought positive impacts beyond financial gains. Fruit trees enhanced soil health, increased biodiversity, and contributed to environmental conservation efforts. Supported by SBI Card and SankalpTaru, Rohit embraced sustainable practices like drip irrigation, fostering ecological balance while nurturing his orchard for long-term growth.

With the success of his guava orchard, Rohit's confidence, and optimism for his farm's future soared. His story serves as an inspiration to fellow farmers, highlighting the transformative

potential of sustainable farming practices in improving livelihoods and fostering ecological sustainability. Rohit expresses gratitude towards SBI Card and SankalpTaru for their unwavering and constant support.



**SUMANGAL FOUNDATION**

*“Through the Tinker Champ event, I discovered my interest in STEM. The experience was transformative”*

- Ishita, Student

Ishita Upadhyay, a 7<sup>th</sup> grader at Government Girls Senior Secondary School No1 Tilak Nagar, is a beacon of innovation. She participated in the Tinker Champ event, an initiative supported under CSR of SBI Card aimed at establishing Atal Tinkering Labs across government schools which focusses on science, electronics, robotics, sensors, 3D printers and computers.

Ishita was interested in science before the project, but after her introduction to ATL, it helped her broaden her horizons of understanding related to topics like robotics, sensors, and computer. Which helped her in the Tinker Champ event where she developed an autonomous car which was designed to autonomously track and follow a human target using basic infrared and ultrasonic sensors. The project not only showcased her learnings about robotics and programming but

also her ability to solve real-world problems, earning her the prestigious second prize.

Ishita’s success has inspired her peers, emphasised the importance of STEM Education, and cultivated a culture of innovation within her school. Given her demonstrated skills and her passion for innovation, Ishita’s future in the science and technology sector is undoubtedly bright.



**LOOKING FORWARD**

We are dedicated to advancing progress beyond mere financial success at our organisation. Our workforce represents a diverse array of perspectives, backgrounds, and talents, all united in our shared commitment to driving positive change. With a deep respect for our stakeholders, we cultivate partnerships rooted in transparency, trust, and mutual benefit, catalysing meaningful progress and sustainability initiatives.

We actively cultivate an inclusive workplace environment that celebrates diversity in perspectives and backgrounds, extending our commitment beyond recruitment practices. Our goal is to foster an environment where every individual feels valued and empowered to contribute their unique talents. Through our

Corporate Social Responsibility (CSR) programmes, we aim to make a significant impact by empowering individuals through educational opportunities and improving access to quality healthcare. By collaborating closely with stakeholders, we are confident of our ability to achieve these ambitious goals, fostering a future characterised by inclusivity, empowerment, and equitable access to essential services.



# Reinforcing Trust through Sound Corporate Governance

Guided by our primary objective of enhancing stakeholder value while acting as a responsible corporate citizen, we are committed to upholding a robust corporate governance framework. We champion ethical business conduct across our organisation, ensuring that every action reflects our commitment to integrity. Our governance strategy focusses on strict adherence to statutory compliance and guidelines, underpinned by a philosophy of fairness, transparency, and ethical business practices. Through transparent disclosures and accurate reporting, we strive to build and reinforce the trust of our stakeholders.

**MATERIAL TOPICS IN FOCUS**



Business Ethics



Anti-Corruption & Bribery



Risk Management & Compliance



Consumer Financial Protection



Data Privacy & Cybersecurity



Responsible Digitalisation

**DELIVERING ON OUR PROMISES: PROGRESS AGAINST TARGETS**

**GOALS**

Enhance Data Privacy Standards across all operations

Integrating ESG parameters in value chain assessment by FY 2025

Link ESG performance with executive compensation by FY 2030

**PROGRESS**

Prioritised building trust and transparency by implementing robust security measures. Our successful migration to the latest PCI-DSS 4.0 standards ensures the highest level of data protection for our customers.

Our commitment to ESG extends beyond internal operations. We collaborate with suppliers, promoting responsible practices throughout the supply chain. This fosters a more sustainable ecosystem and strengthens our overall risk management strategy.

We are progressing towards incorporating ESG factors into the Company scorecard for executive compensation. This integration represents a significant step forward, aligning executive compensation more closely with sustainable and ethical business practices. By doing so, we aim to enhance corporate responsibility, build stronger stakeholder trust, and create greater long-term value for the Company.

**LEADING WITH TRUST: A STRATEGIC VISION FOR CORPORATE GOVERNANCE EXCELLENCE<sup>31</sup>**

**Board oversight and ESG Governance**

In the dynamic landscape of financial services, companies are increasingly recognising the importance of integrating Environmental, Social, and Governance (ESG) principles into their core business strategies. The Board of Directors plays a pivotal role in overseeing these ESG initiatives, ensuring that they are not only aligned with the Company's mission and values but also with the expectations of customers, investors, and regulators.

Our commitment to sustainability and ESG principles is spearheaded by a specialised ESG Team, guided by the Sustainability & Business Responsibility Committee. This team works in tandem with the Corporate Social Responsibility and ESG Committee, both of which are integral to our Board of Directors' oversight. The Board's CSR & ESG Committee meticulously monitors our ESG and sustainability efforts, convening quarterly to evaluate our progress.

Our sustainability team takes the lead in executing policies and collaborates closely with various departments to advance our sustainability projects. This multifaceted core team is at the forefront of driving our sustainability agenda, ensuring that our initiatives are effectively implemented across the organisation.

**ESG Governance structure for SBI Card**



<sup>31</sup> GRI 2 -9,10,11,12,14,18

**ESG Policies<sup>32</sup>**

We are deeply committed to upholding the principles of responsibility and integrity, which are fundamental to fostering trust and credibility with our stakeholders. Our Business Responsibility and Sustainability (BRSR) Policy is a testament to our dedication to sustainable development and reflects our strategic approach to minimising risks and environmental and social impacts. This comprehensive policy, which is readily available on our website, governs all aspects of our operations.

Our vision, as outlined in the BRSR Policy, is to set the benchmark for excellence in our industry by generating sustainable, long-term value for all our stakeholders. We are committed to profitability, while prioritising ethical conduct, environmental stewardship, and social responsibility. By integrating ESG practices into the core of our business operations, we aim to stay ahead of the curve on emerging ESG matters.

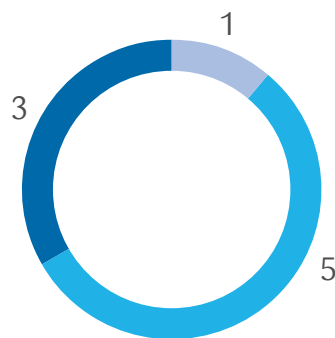
Aligned with our organisational belief, the following policies are framed and adopted by the Board, and forms part and parcel of the overall corporate governance framework.

- ▶ Compliance Policy
- ▶ AML/KYC Policy
- ▶ Vigil Mechanism/Whistle Blower Policy
- ▶ Related Party Transactions Policy
- ▶ Archival Policy
- ▶ Code of Conduct for the Company’s Board of Directors and Senior Management Team
- ▶ Nomination and Remuneration Policy
- ▶ Fit & Proper Criteria for Directors
- ▶ Code of Conduct for regulating, monitoring, and reporting of trading by Designated persons and for fair disclosure of unpublished price sensitive information
- ▶ Policy for determination of Materiality of Events/ Information and disclosure thereof to the stock exchanges
- ▶ Dividend Distribution Policy
- ▶ Corporate Social Responsibility Policy
- ▶ Document/Record Retention & Disposal Policy
- ▶ Business Responsibility and Sustainability Policy
- ▶ Policy on Board Diversity
- ▶ Policy on Succession Planning for the Board and Senior Management
- ▶ Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Familiarisation Programme for Independent Directors
- ▶ Compensation Policy
- ▶ Corporate Governance Code



**Board of Directors**

We recognise diversity as a key lever to bring in different perspectives, experience, expertise and culture to create a more competitive advantage.



- Independent Director
- Non Executive Non Independent Director
- Executive Director (MD & CEO)

The composition of our Board reflects our commitment to gender diversity, meeting statutory requirements with 11% representation of women. Among our Board members, one out of nine is a female director who also serves as an Independent Director. We recognise the importance of diverse perspectives and continue to uphold the standards of board diversity in our governance.

**Board Independence**

The Company’s Board independence stands at 56% as on March 31, 2024.

The Average tenure of our Board of Directors is 3.36 years.

<sup>32</sup> GRI 2- 23, 24

### Board Committees

The Board and its specialised committees are the pillars of our corporate governance framework. It is the duty of the Board of Directors to endorse and periodically reassess our policies, risk management strategies, and key strategic matters that drive the organisation's growth, development, and the fulfilment of our strategic and business objectives.

Each committee within the Board is entrusted with distinct duties, as outlined by the Companies Act 2013, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, the Reserve Bank of India (RBI) Directions and Guidelines, and tailored to our specific business needs. The Company Secretary meticulously finalises and documents the minutes of all committee meetings in the

designated minute book. These minutes are then presented to the Board for review.

The average meeting attendance of Board of Directors in Board meeting is 95.96% and can be found in Corporate Governance Report Section of annual report.

The Details of Remuneration of Board is covered in Corporate Governance Report section of the Annual report.

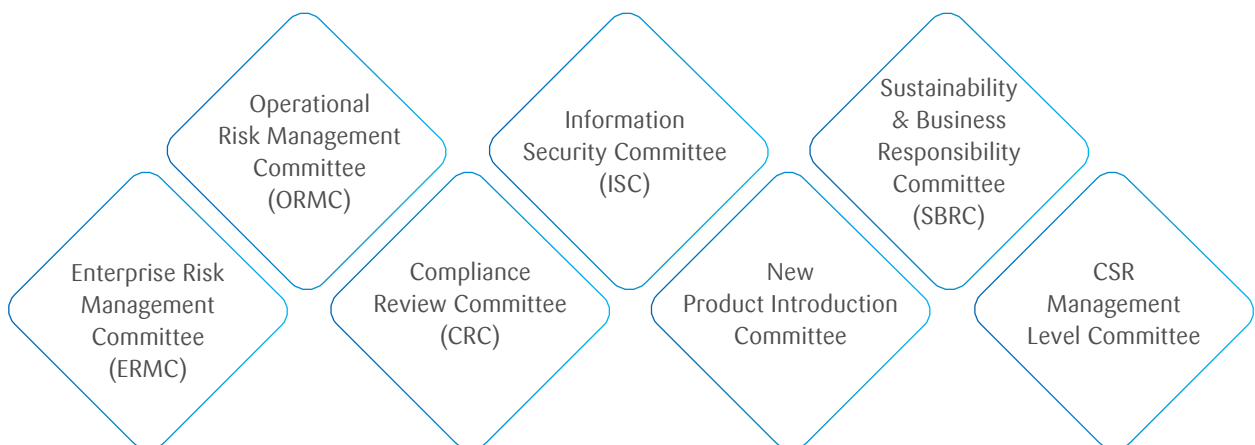
Moreover, the detailed roles and responsibilities of each committee, known as the [Terms of Reference](#), are accessible on our website for transparency.

The following are the committees that form the governance structure at SBI Card:

#### Board Committees



#### Management Level Committees



**BUSINESS ETHICS<sup>33</sup>**

We are committed to upholding the highest standards of business ethics in all aspects of operations. We recognise that ethical conduct is crucial for building trust with our stakeholders, maintaining our reputation, and creating long-term sustainable value. Therefore, our approach and commitment to maintaining utmost business ethics is integral to our growth.

**Fundamentals to our business ethics**



Transparency



Integrity



Responsible Business Practices



**Code of Conduct:** Our comprehensive Code of Conduct outlines clear guidelines on ethical behaviour, legal compliance, conflicts of interest, and the protection of confidential information. This code serves as a roadmap for ethical decision-making and conduct. It applies to all employees, as well as SBI Card suppliers, contractors, consultants, and third-party representatives. Additionally, there were no reported conflicts of interest in FY 2024.

**Anti Money Laundering (AML) & Know Your Customer (KYC):** We are committed to maintaining a secure financial environment through the rigorous enforcement of Anti-Money Laundering (AML) and Know Your Customer (KYC) protocols. Our governance model integrates strict customer verification processes, ensuring the accuracy of identities and the legitimacy of transactions. By complying with regulatory standards, we actively prevent financial crimes and uphold the integrity of our services. This proactive approach to AML/KYC compliance not only safeguards against illicit activities but also demonstrates our dedication to ethical governance, operational transparency, and the protection of our customers' interests.

**Anti-Corruption & Bribery<sup>34</sup>:** We maintain a zero-tolerance policy towards bribery and corruption, requiring all individuals to uphold the highest standards of honesty and integrity in all company-related interactions. We have implemented rigorous controls, policies, and procedures to prevent any form of bribery or corruption. Our employees receive regular training on anti-bribery and anti-corruption practices to ensure both awareness

and compliance. There were no reported cases of bribery or corruption in the past year.

For more details, please refer to Sections/Principle of BRSR.

**Economic Performance<sup>35</sup>**

SBI Card, the credit card subsidiary of State Bank of India, has shown robust economic performance, marked by a consistent increase in customer base and transaction volume. Its strategic focus on digital payment solutions and customer-centric offerings has driven profitability and market share growth in the competitive credit card sector.

For more details refer to our audited financial statements for the details.

**Defined benefit plan obligations and other retirement plans<sup>36</sup>**

As a responsible employer, we are committed to supporting our employees' long-term financial well-being by providing them with a defined contribution plan and a range of valuable perks. These employee benefits include medical insurance, life insurance, access to healthcare services, maternity leave, and paternity leave, in addition to our defined contribution plan.

**Financial Assistance from the Government<sup>37</sup>**

During the reporting period, we have not received any financial assistance from the government.

<sup>33</sup> GRI 2 – 15,16

<sup>34</sup> GRI 201-1

<sup>35</sup> GRI 201-3

<sup>36</sup> GRI 201-4

<sup>37</sup> GRI 205 – 2,3





## Tax Strategy<sup>38</sup>

SBIC Card employs a prudent tax strategy that aligns with regulatory compliance and optimises tax liabilities. The Company leverages tax incentives and deductions available under Indian tax laws, ensuring financial efficiency. It maintains transparency in its tax dealings, contributing to its reputation as a fiscally responsible entity in the financial sector.

### Tax details

(₹ in crore)

Tax Jurisdiction	India
Name of Resident entities	SBI Cards and Payment Services Limited
Primary activities of the organisation	Credit Card
Number of employees and basis of calculation for this number	3,829
Total Employee remuneration*	547.02
Taxes withheld and paid on the behalf of employees	192.31
Taxes collected from customers on behalf of tax authority <sup>^</sup>	2,936.03
Industry related and other taxes or payments to government <sup>#</sup>	Customs and Excise is NIL for FY 2023-24
Significant uncertain tax positions	31.09
Revenues from third party sales	NA
Revenues from intra group transactions with other tax jurisdictions**	NA
Profit/loss before tax	3,231.80
Tangible assets other than cash and cash equivalents	58.47
Corporate income tax paid on cash basis	940.59
Corporate income tax accrued on profit/loss	935.09
Reasons for difference between corporate income tax accrued on profit/loss and the tax due if the stationary tax rate is applied to profit/loss before tax	Due to excess withholding taxes
The time period covered by the information reported above	FY 2023-24

\* This includes salary & wages including share-based payment and contribution to provident fund/other funds and does not include staff welfare expenses

# Since all SBIC offices are leased, SBIC does not incur land tax or electricity tax. The land is not owned by SBIC, and all electricity meters are registered under the names of the landlords or builders.

<sup>^</sup> GST paid on accrual basis for FY 2023-24 that includes tax on output services and not included the tax discharged under Reverse Charge Mechanism

\*\* Since our operations are within India, we do not have any group transaction outside India

<sup>38</sup> GRI 207



**RISK MANAGEMENT & COMPLIANCE**

SBI Card upholds trust through an advanced, ISO 31000-aligned risk management strategy, deeply integrated into our corporate philosophy. Governed by our Risk Management and Board-directed Enterprise Risk Management Committees, our approach is both proactive and adaptive, ensuring resilience against market dynamics. Our Risk Appetite Statement informs our judicious approach to risk, balancing strategic objectives with financial stability and compliance.

We meticulously manage a spectrum of risks, including strategic, credit, liquidity, and notably, ESG and climate-related risks, with bespoke controls and contingency plans. This comprehensive framework is pivotal to our operational integrity and the confidence our stakeholders have in us. Our ongoing commitment to enhancing risk management capabilities, particularly within the ESG realm, solidifies our position as a trustworthy and transparent financial services provider.



Further details can be obtained from risk management section of the report on page no. 30

**CONSUMER FINANCIAL PROTECTION**

We are committed to ensuring the highest level of protection for our consumers. Our Consumer Financial Protection procedures are designed to safeguard our customers' financial interests and promote transparency, fairness, and trust in all our operations. We have instituted robust Consumer Financial Protection protocols, aiming to secure our customers' financial well-being. By prioritising customer interests and ethical practices, we ensure that our governance standards reflect the highest level of consumer care and corporate responsibility.



**Transparent Communication**

We prioritise clear and transparent communication with our customers. All terms and conditions, fees, and charges associated with our credit card products are presented in a straightforward and understandable manner. We provide detailed statements and regular updates to help customers manage their finances effectively.

**Dispute Resolution**

We have established a robust dispute resolution process to address any concerns or issues that may arise. Customers can report disputes through multiple channels, including our customer service hotline, online portal, and in-person at our branches. Our dedicated team ensures timely and fair resolution of all disputes, maintaining customer satisfaction and trust.

**Responsible Marketing**

Our marketing practices are designed to be ethical and transparent. We ensure that all promotional materials are accurate and not misleading. Our advertisements clearly disclose all relevant terms and conditions, helping customers make informed choices. For more information on our marketing practices, refer to Principle-9 of our Business Responsibility & Sustainability Report (BRSR) on page no. 149.

## DATA PRIVACY & SECURITY

We recognise the critical importance of data and information security in maintaining the trust of our customers and stakeholders. In today's digital age, safeguarding customer information is not only an ethical responsibility but also a material topic with critical impact on SBI Card business and stakeholders. We are committed to protect the sensitive information entrusted to us.

As disclosed in our data privacy policy, SBI Card's is committed to protecting our customer's personal information adhering to our key data handling principles like:

- Transparency and Fairness
- Purpose Limitation
- Data Minimisation
- Data Retention
- Respecting Legal Rights
- Security Measures
- Compliance Across the Organisation
- Security Program
- Regular Audits

### Customer Data Protection

Protecting the customer's information is paramount to our organisational reputation. We are committed to responsible data practices and ensure that zero percentage of customer data is used for secondary purposes. This means your data

is used solely for the purposes you have explicitly consented to, such as processing transactions, managing your account, and providing you with relevant communication. We maintain robust data security measures and adhere to strict regulations to safeguard your privacy and build trust with our customers.

### Zero complaints received concerning breaches of customer privacy and losses of customer data (data theft or leak) in FY 2023-24.<sup>39</sup>

### Incident Response Plan and Business Continuity Measures:

A well-structured incident response plan is in place to address any potential data breaches or security incidents swiftly.

We have implemented comprehensive business continuity measures to ensure uninterrupted operations in the event of a security incident or disaster. These measures ensure that critical business functions can be rapidly restored, minimising disruption, and protecting customer data. Communication with customers and stakeholders is of utmost importance for the us. Hence, we have employed various modes such as the Interactive Voice Response (IVR) system, official website, and mobile application. In the event of any process disruption, we keep our customers informed promptly via SMS notifications.

For more information, refer to Principle 9 of our Business Responsibility & Sustainability Report (BRSR) on page no. 149.



<sup>39</sup> GRI 418-1

**GRIEVANCE REDRESSAL - BUILDING TRUST THROUGH PROACTIVE ENGAGEMENT AND EFFECTIVE RESOLUTION AT SBI CARD**

We recognise that the foundation of a lasting relationship with our customers is built on trust. Our commitment to delivering exceptional service is reflected in our proactive engagement with customers and our efficient resolution of their concerns.

**Proactive Engagement and Feedback Collection<sup>40</sup>**

We are dedicated to understanding and enhancing the customer experience through active dialogue and feedback collection. We employ a variety of methods to ensure that every voice is heard and valued.

**Customer Support Line:** Our team addresses queries and delivers resolutions efficiently, following a structured escalation process for increasing care as needed.

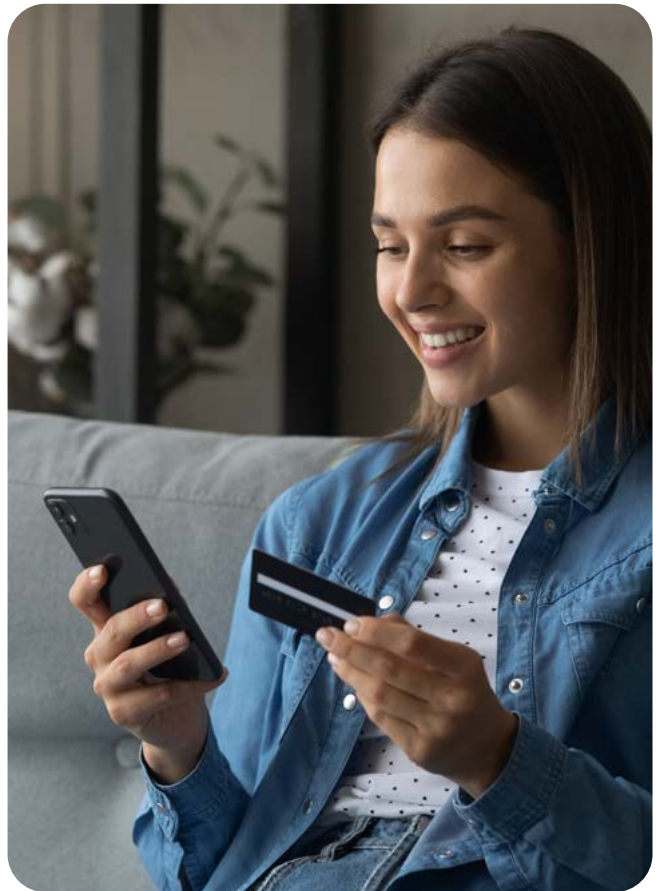
**Digital Engagement Platforms:** We stay connected with customers through our website, mobile app, and social media, offering accessible and user-friendly feedback tools for seamless sharing of experiences and insights.

**Stakeholder Engagement:** Regular interactions with stakeholders are crucial to our feedback loop, with insights driving informed updates in policies and procedures for continuous improvement.

**Trust-Centric Grievance Redressal Mechanism**

Our Grievance Redressal Policy, which is transparently available on our website, outlines our structured approach to resolving customer complaints effectively.

**Grievance Redressal Cell:** Empowered with empathetic communication and problem-solving experts, our cell addresses every grievance with respect and urgency, ensuring resolutions that uphold customer trust.



**Escalation Matrix:** Our layered approach ensures complex or persistent issues receive heightened attention. If initial resolutions are unsatisfactory, concerns escalate to higher management, guaranteeing customer trust is upheld.

**LOOKING FORWARD**

We envision a future where financial success is intertwined with environmental, social, and governance (ESG) responsibility. We are exploring the implementation of the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and will continuously revise our materiality assessment to ensure we are addressing the most critical ESG issues for our business and stakeholders. This framework will enhance transparency by providing stakeholders with a comprehensive understanding of our climate-related risks and opportunities, and our consideration of climate risks under Enterprise Risk Management (ERM). We also aim to establish a robust ESG

assessment process for our value chain, allowing us to select vendors who share our commitment to sustainability and fostering a more responsible, transparent, and environmentally conscious ecosystem.

We aspire to become a leader in sustainable business practices through implementing these progressive initiatives. We believe that by prioritising ESG considerations alongside financial performance, we can create a brighter future for our stakeholders, the environment, and society at large.

<sup>40</sup> GRI 2- 25, 26

## Mapping with Standards

# GRI Index

Statement of use	SBI Card has reported the information cited in this GRI content index for the period 2023-24 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	Chapter/Section Name & Remarks	Page No
<b>GRI 2: General Disclosures 2021</b>	2-1 Organisational details	SBI Card At a Glance	4
	2-2 Entities included in the organisation's sustainability reporting	About the Report Business Responsibility & Sustainability Report (BRSR)	2 149
	2-3 Reporting period, frequency and contact point	About the Report	2
	2-4 Restatements of information	Climate Change & Emission Management Business Responsibility & Sustainability Report (BRSR)	52 176, 183
	2-5 External assurance	About the Report & Assurance Statement	2
	2-6 Activities, value chain and other business relationships	About the Report Business Responsibility & Sustainability Report (BRSR)	2 149
	2-7 Employees	Our Workforce	62
	2-8 Workers who are not employees	Our Workforce	62
	2-9 Governance structure and composition	ESG Governance at SBI Card Board of Directors Board Committees	83 84 85
	2-10 Nomination and selection of the highest governance body	ESG Governance at SBI Card	83
	2-11 Chair of the highest governance body	ESG Governance at SBI Card	83
	2-12 Role of the highest governance body in overseeing the management of impacts	Board Oversight & ESG Governance	83
	2-13 Delegation of responsibility for managing impacts	Board Oversight & ESG Governance	83
	2-14 Role of the highest governance body in sustainability reporting	Board Oversight & ESG Governance	83
	2-15 Conflicts of interest	Business Ethics	86
	2-16 Communication of critical concerns	Business Ethics	86
	2-17 Collective knowledge of the highest governance body	Our Board of Directors	40-43
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Report	189
	2-19 Remuneration policies	Policy On Appointment And Remuneration Of Directors	110
	2-20 Process to determine remuneration	Policy On Appointment And Remuneration Of Directors	110
	2-21 Annual total compensation ratio	Remuneration & Compensation	63
	2-22 Statement on sustainable development strategy	MD & CEO Statement	12
	2-23 Policy commitments	ESG Policies	84
	2-24 Embedding policy commitments	ESG Policies	84
	2-25 Processes to remediate negative impacts	Grievance Redressal - Building Trust Through Proactive Engagement And Effective Resolution At Sbi Card	90
	2-26 Mechanisms for seeking advice and raising concerns	Grievance Redressal - Building Trust Through Proactive Engagement And Effective Resolution At Sbi Card	90
	2-27 Compliance with laws and regulations	Business Responsibility & Sustainability Report (BRSR)	158, 159, 176

GRI STANDARD	DISCLOSURE	Chapter/Section Name & Remarks	Page No
	2-28 Membership associations	Business Responsibility & Sustainability Report (BRSR)	178
	2-29 Approach to stakeholder engagement	Stakeholder Assessment & Materiality Assessment Business Responsibility & Sustainability Report (BRSR)	34-36 166
	2-30 Collective bargaining agreements	Stakeholder Assessment & Materiality Assessment	35
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Stakeholder Assessment & Materiality Assessment	34-36
	3-2 List of material topics	Stakeholder Assessment & Materiality Assessment	36
	3-3 Management of material topics	Reinforcing Trust with Environmental Stewardship Reinforcing Trust through Societal Contributions Reinforcing Trust through Sound Corporate Governance	47 61 82
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Economic Performance	86
	201-2 Financial implications and other risks and opportunities due to climate change	Looking Forward	59 90
	201-3 Defined benefit plan obligations and other retirement plans	Economic Performance	86
	201-4 Financial assistance received from government	Economic Performance	86
<b>GRI 202: Market Presence 2016</b>	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Remuneration & Compensation	63
	202-2 Proportion of senior management hired from the local community	As all our operations are based in India, we prioritise hiring local talent. Consequently, our senior management team is composed of individuals from within the country, ensuring alignment with local geographical and cultural aspects.	-
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Business Overview	97-99
	203-2 Significant indirect economic impacts	Business Responsibility & Sustainability Report (BRSR)	180-183
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	Partnering For Sustainability: Supply Chain Management	70
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Anti-Corruption & Bribery	86
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption & Bribery	86
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption & Bribery	86
<b>GRI 206: Anti-competitive Behavior 2016</b>	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Responsibility & Sustainability Report (BRSR)	158
<b>GRI 207: Tax 2019</b>	207-1 Approach to tax	Tax Strategy	87
	207-2 Tax governance, control, and risk management	Tax Strategy	87
	207-3 Stakeholder engagement and management of concerns related to tax	Tax Strategy	87
	207-4 Country-by-country reporting	Tax Strategy	87
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	Given that SBI Card is exclusively focused on credit card issuance and payment solutions, there is no applicable materials used, quantity of recycled or reused input or any reclaimed materials in company's production or service processes.	-
	301-2 Recycled input materials used		-
	301-3 Reclaimed products and their packaging materials		-

GRI STANDARD	DISCLOSURE	Chapter/Section Name & Remarks	Page No
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organisation	Energy Management	47
	302-2 Energy consumption outside of the organisation		47
	302-3 Energy intensity		47
	302-4 Reduction of energy consumption		48-50
	302-5 Reductions in energy requirements of products and services		Given that SBI Card is exclusively focused on credit card issuance and payment solutions, this is not applicable
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	Water Consumption	57-58
	303-2 Management of water discharge-related impacts		57-58
	303-3 Water withdrawal		57
	303-4 Water discharge		57
	303-5 Water consumption		57
<b>GRI 304: Biodiversity 2016</b>	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		-
	304-2 Significant impacts of activities, products and services on biodiversity		Given that SBI Card is exclusively focused on credit card issuance and payment solutions, this is not applicable
	304-3 Habitats protected or restored		-
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		-
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Climate Change & Emission Management	51
	305-2 Energy indirect (Scope 2) GHG emissions		52
	305-3 Other indirect (Scope 3) GHG emissions		52
	305-4 GHG emissions intensity		52
	305-5 Reduction of GHG emissions		53
	305-6 Emissions of ozone-depleting substances (ODS)		Based on our feasibility studies, we have begun monitoring fugitive emissions (covered under Scope 1) generated by our operations and plan to start reporting on these emissions in the next financial year.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		Business Responsibility & Sustainability Report (BRSR)
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Waste Management	54-55
	306-2 Management of significant waste-related impacts		54-55
	306-3 Waste generated		54
	306-4 Waste diverted from disposal		54
	306-5 Waste directed to disposal		54
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1 New suppliers that were screened using environmental criteria	Partnering For Sustainability: Supply Chain Management	70
	308-2 Negative environmental impacts in the supply chain and actions taken	We are currently conducting a feasibility study to assess our value chain.	-
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	The Collaborative Advantage: Our Strategy For Attracting And Retaining Talent	65
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Remuneration & Compensation	63
	401-3 Parental leave		63

GRI STANDARD	DISCLOSURE	Chapter/Section Name & Remarks	Page No
<b>GRI 402: Labour/ Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes	Any changes related to operations are communicated to all employees well in advance through town halls, emails, team huddles, trainings, notifications and controls on application systems	-
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system		66
	403-2 Hazard identification, risk assessment, and incident investigation	Building A Safe And Secure Workplace: Colleague Health & Safety	66
	403-3 Occupational health services		66
	403-4 Worker participation, consultation, and communication on occupational health and safety		-
	403-5 Worker training on occupational health and safety	As SBI Card does not have any worker, this is not applicable	-
	403-6 Promotion of worker health		-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Building A Safe And Secure Workplace: Colleague Health & Safety	66
	403-8 Workers covered by an occupational health and safety management system	As SBI Card does not have any workers, this is not applicable	-
	403-9 Work-related injuries	Building A Safe And Secure Workplace: Colleague Health & Safety	67
	403-10 Work-related ill health		67
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee		64
	404-2 Programs for upgrading employee skills and transition assistance programs	Training And Education	64
	404-3 Percentage of employees receiving regular performance and career development reviews		65
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Board of Directors Our Workforce	84 62
	405-2 Ratio of basic salary and remuneration of women to men	Remuneration & Compensation	63
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	Upholding Human Rights: Our Commitment To Responsible Practices	69
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	The Collaborative Advantage: Our Strategy For Attracting And Retaining Talent	65
<b>GRI 408: Child Labour 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labour	Partnering For Sustainability: Supply Chain Management	70
<b>GRI 409: Forced or Compulsory Labour 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Partnering For Sustainability: Supply Chain Management	70
<b>GRI 410: Security Practices 2016</b>	410-1 Security personnel trained in human rights policies or procedures	Upholding Human Rights: Our Commitment To Responsible Practices	69
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1 Incidents of violations involving rights of indigenous peoples	Upholding Human Rights: Our Commitment To Responsible Practices	69



GRI STANDARD	DISCLOSURE	Chapter/Section Name & Remarks	Page No
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement	71-80
	413-2 Operations with significant actual and potential negative impacts on local communities		-
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1 New suppliers that were screened using social criteria	Partnering For Sustainability: Supply Chain Management	70
	414-2 Negative social impacts in the supply chain and actions taken	We are currently conducting a feasibility study to assess our value chain.	-
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	At SBI Card, we do not participate in any aspects of political contributions.	-
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	Customer Data Privacy & Security – Keeping Your Information Safe	69
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Business Responsibility & Sustainability Report (BRSR)	184
<b>GRI 417: Marketing and Labeling 2016</b>	417-1 Requirements for product and service information and labeling		-
	417-2 Incidents of non-compliance concerning product and service information and labeling	As a credit card issuer, our product information isn't on a physical label, but available at various touchpoints, such as on our website, application forms, and welcome kits.	-
	417-3 Incidents of non-compliance concerning marketing communications		-
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy & Security	89
		Business Responsibility & Sustainability Report (BRSR)	183

# Management Discussion and Analysis Report

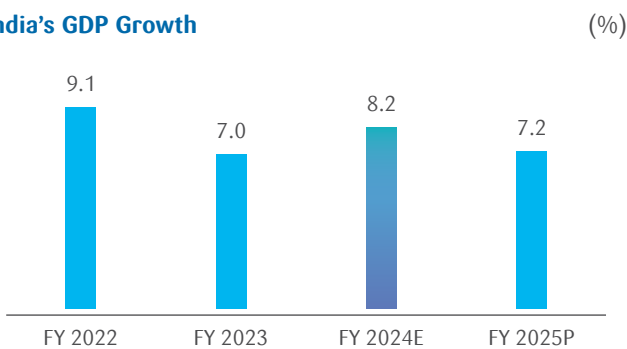
The Indian economy and financial sector remain strong and resilient despite unprecedented global challenges in FY 2023-24. India continues to demonstrate robust economic performance, with broad-based growth across sectors driven by consumption demand and capital expenditure. Following strong growth in FY 2023-24, the GDP growth outlook for FY 2024-25 is a healthy 7.2% (RBI – MPC of June 2024). However, this growth is moderated by weak external demand and concerns about financial instability in the global economy.



## MACRO-ECONOMIC ENVIRONMENT & OUTLOOK

In FY 2023-24, Indian economy gained strong growth momentum, citing positive macroeconomic data and factors, such as, improved labour market conditions, strong urban demand, and government emphasis on capital expenditure. The **National Statistical Office (NSO)** estimates placed real Gross Domestic Product (GDP) growth at **8.2%** during the FY 2023-24. This growth is driven by factors such as, increased investment, continued government focus on capital expenditure, improved capacity utilisation, the services sector’s resilience, robust credit growth, and healthier financial positions for both corporations and banks surpassing the 7.0% growth observed in the preceding FY 2022-23. This positive trajectory in Gross Domestic Product (GDP) was strengthened by substantial growth in the pivotal sectors, particularly the financial, real estate, and professional services industry.

### India’s GDP Growth



Source: NSO estimates dated 31<sup>st</sup> May 2024  
 RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated 7<sup>th</sup> June 2024

The MPC of the RBI has sustained the policy repo rate at 6.5% during FY 2023-24 and maintained its 'withdrawal of accommodation' stance. In outlining a well-balanced policy that fits with market expectations, the governor reaffirmed the RBI's commitment to maintaining headline inflation at 4%. The RBI has projected an inflation rate of 4.5% for FY 2024-25 as compared

to 5.4% observed in FY 2023-24. While the overall economic performance is strong, challenges at the bottom of the pyramid are acknowledged, particularly in consumption demand, which is expected to exhibit a tepid trajectory. In FY 2023-24, headline inflation has followed a moderating trajectory. However, food price pressures have occasionally disrupted this decline, even as core inflation—which includes both goods and services—has shown signs of softening.

It noted that growth in services and industry is expected to remain robust, the latter aided by strong construction and real estate activity. The inflationary pressures are expected to subside, which should create policy space for easing financial conditions and therefore interest rates.

## INDUSTRY DEVELOPMENTS

Several macroeconomic factors have contributed to the growth of India's digital finance sector in recent years, driven primarily by innovations from both established and emerging players, as well as support from governmental and regulatory bodies aimed at promoting a robust digital payment ecosystem. The proliferation of internet and smartphone usage has further expedited the evolution and adoption of digital payments. Moreover, the increasing digitalisation across key sectors such as mobility, e-commerce, and food delivery has boosted the use of digital payment methods.

The integration of technology-driven solutions has significantly enhanced financial inclusion, leveraging innovative digital payment methods like the unified payments interface (UPI), formalising credit through account aggregator networks, and mitigating revenue leakages via online tax platforms and FASTag. Increase in digital transactions has created a strong ecosystem for banks, payment banks, and fintech companies to cross-sell products and attract new clients. The government's interim Union Budget for FY 2024-25 is in perfect alignment with the vision of a technologically advanced and innovative India, allocating a substantial ₹1 lakh crore corpus for technology financing.

The growth trajectory of the Indian credit card industry remained healthy, driven by the largely untapped consumer market. According to RBI industry reports, the number of credit cards in circulation surpassed 10.2 crore as of March 2024, reflecting a year on year (YoY) growth of 19.3%. Credit card spends for FY 2023-24 reached ₹ 1,830,758 crore, marking a 28% increase from the previous year. In addition, as of March 2024, the count of point of sale (POS) terminals reached 89 lakh, marking a 14% YoY growth. Bharat QR (BQR) terminal number stands at 63 lakh, also growing by 16% YoY. The expansion of POS and BQR terminals enhanced usage touchpoints, promoting robust positive momentum within the industry.

Over the past year, the credit card industry has seen significant advancements.

- Integration of RuPay credit cards with the UPI. This integration facilitates streamlined bill payments, online shopping, and peer-to-merchant transfers, thereby improving the overall user experience. Linking credit cards to UPI enables cardholders to make purchases at merchants lacking Point-of-Sale (POS) terminals.
- As per a RBI press release dated March 5, 2024, card issuers are mandated to offer eligible customers the opportunity to select from various card networks during card issuance. Existing cardholders can exercise this choice during their next renewal.

## OPPORTUNITIES

India has enormous growth potential as average card ownership is 7 for every 100, as of March 24, compared to 201 in Brazil, 57 in China, 67 in Australia, 84 in UK, 241 in South Korea and 343 in the USA (Source: BIS Data as of end of 2022 updated in March 2024). There is tremendous opportunity for expanding credit card adoption in India. The below enablers will help the industry to grow at a robust pace.

### 1. Payment Infrastructure

- Acceptance infrastructure inclusive of POS and BQR terminals has grown by roughly 2X times over the past 3 years, 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 2024)
- QR code-based acceptance is expanding in tandem with the POS terminals.
- RBI's approval enables RuPay Credit cards at UPI merchants and facilitates transactions via QR codes for merchants without POS machines, boosting credit card spending growth.
- RBI has operationalised the Payments Infrastructure Development Fund (PIDF) to enhance the spread of acquiring devices nationwide, focusing on subsidising payment acceptance infrastructure development in tier-3 to tier-6 cities in India. The scheme's extension to December 2025 ensures sustained support.

## RBI's GDP growth estimates for India in FY 2023-24: 8.2%

### Total card base of Company as of March 2024: 1.89 crore

### Company's share of cards in Force in India: 18.6%

- Credit card on UPI is serving as a stepping stone for customers upgrading to credit cards.
- Emergence of third-party Super Apps as comprehensive payment platforms, seamlessly integrated with e-commerce and personalised finance tools, is set to enhance digital payment demand, including credit card spends.

### 2. Consumer Behavior

- Overall digital payments have grown by 20% CAGR in past 3 years; UPI accounted for 70% growth during the same period. (Source: RBI and NPCI payments system data, March 2024)
- Digital customer acquisition is growing as end-to-end digital experience is gaining customer acceptance, complemented by the penetration of smart phones.
- E-commerce is growing significantly in Tier-2+ cities compared to tier-1/metro cities in India.
- Credit acceptance growing; Retail credit grew at 27% YoY, as on March 2024 (Source: RBI Bank credit data)
- Increased spending on e-commerce platforms. Indian e-commerce market is estimated to reach around ₹13,600 billion by 2026 from ₹ 5,580 billion in 2021. By 2030 it is expected to reach around ₹ 25,000 billion (Source: IBEF Report March 2024)
- New avenues for credit cards payments are emerging such as categories like school fees, income tax payments, GST payments and new utility use cases.

### THREATS

Credit card industry experiences few challenges in an ever-evolving financial landscape. Issuers are enhancing their sourcing capabilities and unveiling offers to increase their market presence. Industry also faces competition from new age fintech players leveraging innovative technologies and collaborating with credit card issuers.

RBI's notification in September 2023 introduced "Credit on UPI," allowing pre-approved credit. This presents an opportunity for credit market to expand, benefiting the underserved through

digital channels. Currently, limited banks have offered this service as a Pilot. However, as ecosystem grows, this product could potentially increase credit volumes.

The Indian FinTech ecosystem has been witnessing quick expansion, including a wide range of subsegments including alternative lending, payments, WealthTech, InsurTech, neobanking, and EmergingTech.

Fintech and card issuers are collaborating to develop customised products and services. They are also working on alternative data to increase approval rates and expand the market. The credit card industry is navigating through these challenges by collaborating which is paving the way for a promising future of growth and innovation.

### Risks and Concerns

Throughout FY 2023-24, the credit environment has been volatile along with concerns of a global slow down, job losses, rising interest rate scenario, continuing geo-political tensions, etc. The Company has been addressing the impact of these in an agile and proactive manner through policy changes both at acquisition stage and portfolio management. The Company also further strengthened and streamlined its policies and processes on account of recent regulatory changes from RBI on customer servicing and for ensuring prudent unsecured lending by banks and NBFCs. The Company continues to be watchful of the dynamic environment and is determined to ensure profitable growth.

With an ever-evolving threat landscape and increase in number of 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 posture across people, processes, and technology. All customer and organisational data, along with information assets, are protected by controls adopted as per the defense in depth strategy. The Company is well equipped to prevent, detect, withstand, and respond to cybersecurity attacks or insider threats with security controls implemented across layers (Network Perimeter, Internal Network, System, applications and user awareness). The Company remains in compliance with RBI's cybersecurity mandate for NBFCs.

## BUSINESS OVERVIEW

### Card Acquisition

The Company continued to grow its credit card portfolio and its active card base increased to 18.9 million as of March 2024, compared to 16.8 million cards in March 2023, representing a 13% year-over-year growth. It continues to leverage both its open market channel and banca channel and sourced approximately 4.4 million cards in FY 2023-24. The new account acquisition was moderated during the year to focus on portfolio quality by tightening credit filters.

**The Company continued to grow its credit card portfolio and its active card base increased to 18.9 million as of March 2024, compared to 16.8 million cards in March 2023, representing a 13% year-over-year growth.**

There is continued focus on Premium sourcing, with increased emphasis on high fee variant cards through focused campaigns and sourcing. The Company has been focusing on strengthening its digital acquisition channel SPRINT for a seamless experience to the customers, followed by immediate issuance of e-cards. Digital enablers like VKYC, E-sign and Account aggregator are being used across all sourcing channels. Emphasis is on API based integration with all digital partners.

A key milestone achieved is integration with SBI's YONO mobile app and its Internet Banking website for end-to-end, paperless, presence less sourcing.

SBI Channel: The Company sourced 2.2 million new accounts from the SBI channel, with the composition of cards in force from this channel standing at 42% in FY 2023-24.

### New Product Launches

- Reliance SBI Card: The Company has partnered with Reliance Retail India to launch 'Reliance SBI Card.' The reward-centric credit card has been designed to provide customers with benefits on premium and mass brands under the Reliance Retail India.
- Titan SBI Card: SBI Card has launched an innovative credit card in partnership with Titan, designed to meet the aspirational lifestyles of consumers and offer access to premium Titan brand products. This card can be applied for entirely online through SBI Card SPRINT.

### Spends and Engagement

- The Company has maintained its robust growth momentum in spends. Retail spends for FY 2023-24 were at ₹ 262,501 crore, demonstrating a YoY growth of 27%.
- The Company has maintained its meaningful presence in Corporate Card Business; Corporate spends for FY 2023-24 were at ₹ 67,088 crore demonstrating a YoY growth of 20% YoY.
- The Company continued with its various merchant partnerships both at Pan India level and also at regional level and launched 2600+ offers during the year. A few of such partnerships for EMI offers on the customer spends include large National partners like LG, Samsung, HP, Sony

and Regional players like Aditya Vision, Big C, Great Eastern, Value Plus etc, to name a few.

- The Company has continued to leverage on growing significance of online purchases, as 66% of spending during the year were made online.
- SBI Card receivables has grown by 25% in FY 2023-24- from ₹ 40,722 crore at the end of FY 2022-23 to ₹ 50,846 crore at the end of FY 2023-24. The Close-ended asset book forms 37% of the receivables book as of March'24
- The **Bharat Bill Payment System** or BBPS is an integrated and interoperable bill payment services providing consumers the convenience of paying variety of bills/ recharges such as electricity, water, Fastag, mobile prepaid/ postpaid etc. SBI Card is offering its customer seamless BBPS service through its multiple Digital platforms viz. SBI Card website, Mobile App, chatbot ASK ILA and Whatsapp. SBI Card runs regular programs through the year to encourage its cardholders to use the bill payments platforms for enhanced convenience and experience.

## Brand

- The Company continued to be the most recognised brand in the credit card category, with the highest Top-Of-Mind Awareness and 100% Total Awareness as per Brand Track survey commissioned by the Company and conducted by Kantar IMRB in January-March 2024.
- The Company ensured consistent brand visibility throughout FY 2023-24 with multiple campaigns. An integrated campaign in May'23 announced SBI Card's 25<sup>th</sup> year anniversary through Print advertisement, OOH, Digital and a unique Radio integration that provided 25 hours of ad-free music on the day of the anniversary. Cricket viewership was leveraged with an innovative logo-on-product branding in the Hawk-eye reviews during Asia Cup 2023. The 'Credit Card on UPI' functionality was launched in September'23 through a comprehensive Print Ad campaign covering 30+ leading National & Regional publications. In FY 2023-24, the Company promoted the festive-special offers through an integrated campaign covering Print, TV, OTT & Digital Media.
- Brand salience was further augmented through the Company's ongoing Retail Kiosks Program. Over 350 Kiosks at strategic customer touchpoints like airports, shopping malls, railway stations, metro stations and partner stores ensured brand presence at the POS while also enhancing customer acquisition efforts. SBI Card also continued to harness the power of PR for varied aspects, including new products and partnerships to augment brand reputation. The Company sustained awareness for Aurum, its super-premium offering, through an eight-month advertising campaign in key lifestyle, business, and in-flight magazines.
- The Company was recognised as 'Reader's Digest Trusted Brand 2023' in the credit card category for the 15<sup>th</sup> time and was also honoured with the 'Superbrand' status in 2023.

## Digital Platforms

### Mobile App:

- SBI Card mobile app can be downloaded both on Play Store and App Store with app ratings at 4.4/5.0 on Play Store and 4.6/5.0 on App Store in FY 2023-24. It has recorded 1.45 crore active app installations and continues to be a preferred self-service digital channel for its customers. The app has over 100 features for self-servicing, cross-sell and insurance on the platform and has recorded over 78.3 crore+ logins in FY 2023-24.
- In FY 2023-24, SBI Card launched numerous features and functionality updates to simplify servicing, enhance customer experience, increase engagement, and drive transactions. Some of the key implementations include – Overhauling the UI redesigns and enhancement of customer journeys on the 30+ features of the SBI Card App, integration on new Insurance cross-sell product, development of retention tools in the card closure journey to retain customers, addition of instant gift voucher purchase option, creation of app notifications center, DigiLocker integration for KYC renewal and Address change process, enable UPI on RuPay cards.

### Website:

- SBI Card website continues to be highly visited by customers and prospects with over 26.6 crore visits in FY 2023-24. The website channel caters multiple features that enable self-servicing, cross-sell, and insurance bookings along with credit card catalogue and eApply journeys for digital applications.
- The Company's website continues to integrate new features and enhance customer experience. Key implementations during the year include DigiLocker integration for KYC renewal, introduction of retention tools to the card closure journey, anti-phishing mechanism for website logins, encash and encash inline UI designs revamp, introduction of new offers section on post-login dashboard.

### WhatsApp:

- The Company's WhatsApp connect service was launched in August 2020. The WhatsApp Connect service works as an additional self-service channel to SBI Cardholders. During FY 2023-24, about 34.9 lakh unique customers accessed the platform and 46.2 lakh customers opted-in for the service. Apart from self-servicing options, other features available on the platform include accessing account summary, pay utility bills, convert transactions into Flexipay EMIs, check outstanding balance, make credit card payments, reward redemption enquiry, download statement etc.
- To increase usage of the platform and to enhance customer engagement, several features have been added during the financial year, vis. – Introduction of interactive menu for faster action, Utility Bill payments (BBPS) and Digital Onboarding for the newly acquired customers.

**Ask ILA:**

- The Company’s chatbot "ASK ILA" seamlessly integrates with its mobile app and the website. It has been an important self-service channel with over 2.8 crore total logins during FY 2023-24. The platform has addressed over 8.3 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 – Live chat integration with mobile app, Introduction of Next best action feature on ASK ILA, among others.

**Digital and Social Media Initiatives**

- The Company achieved a robust social media presence across platforms, including Facebook, Instagram, YouTube, X, and LinkedIn, with a combined reach of over 21.9 lakh followers/subscribers by the end of FY 2023-24. The Company launched numerous social media campaigns aimed at engaging users through contextual posts, videos, carousels, etc., with a primary focus on promoting offers, existing products, new product launches, digital self-service channels, fraud awareness and CSR initiatives. These social media campaigns achieved more than 1.6 crore impressions, 1.2 crore reach.
- The Company implemented a strategic approach by leveraging influencer-led content to promote key initiatives / products such as integration of RuPay SBI Credit Card with UPI and the launch of TITAN SBI Card.

Multiple digital media campaigns were also launched in FY 2023-24 reaching an audience of 9.6 crore. These digital campaigns were amplified through a media mix of OTT platforms, e-commerce portals and publisher networks.

**RISK MANAGEMENT**

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. It’s risk management framework makes use of efficient tools and analytics 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 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 risk management process is subjected to periodic review to deliver assurance that it remains appropriate and effective, aligned with the emerging risks.

The Board, along with its various committees, is responsible for overall corporate governance which includes oversight on operational, market and credit risk. The Board of Directors is responsible for approving and reviewing policies and strategic issues, which are crucial for the organisation’s overall growth

**The Company achieved a robust social media presence across platforms, including Facebook, Instagram, YouTube, X, and LinkedIn, with a combined reach of over 21.9 lakh followers/subscribers by the end of FY 2023-24.**



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 management 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, Cyber 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 Security Policy 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 its 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 concentration 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 behavioral 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 the Company's corporate card portfolio is 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.
- **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 able 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', SBI Card has 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. SBI Card 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 vis., Mild, Moderate, and Severe.

- **Regulatory Risk:** SBI Card utilises an automated tool to ensure adherence to regulations, tracking the completion of all compliance tasks. 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 SBI Card. 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 competition or a changing business environment. The Board is actively engaged in providing strategic direction to the Company. The Company is constantly trying to introduce innovative products 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.

## CUSTOMER SERVICING

SBI Card is committed to deliver an exceptional customer experience. The Company has introduced various initiatives to enhance its interactions and provide seamless, personalised services to its valued customers.

The Company's customer service functions and centers are dedicated to improving the overall customer experience. The Company has implemented a range of initiatives that focus on enhancing the quality of its service, ensuring every customer interaction is smooth and satisfactory.

## KEY INITIATIVES AND HIGHLIGHTS

- **E3 Program (Escalation, Elimination, Excellence):** The Company launched a structured approach to Root Cause Analysis (RCA) through a web-based form, reinforcing its commitment to continuous improvement and exceptional customer experiences.
- **Customer Grievance Management:** This year the Company saw a significant reduction in customer grievances, The Company received a total of 3.16 lakh customer grievances,

reflecting a 51% decrease compared to the previous year. Of these, 46% were resolved within 0-1 day. Additionally, the net number of complaints decreased by 13% to 6,208 compared to last year. The overall resolution rate for gross inflow improved to 98%, up from 96% in the previous year.

- **Hotline at Walk-in Desk:** To reduce wait times during peak hours, the Company introduced a hotline at its walk-in desks, providing customers with quicker and more efficient service solutions.
- **Social Media Platform:** The Company enhanced its social media engagement through new platform, ensuring timely and effective communication with the customers.
- **Offer Fulfilment Tracking:** The Company implemented a real-time tracking process for offer status, leading to enhanced customer satisfaction.
- **COPC Certification:** The Company successfully recertified its Customer Services WFM Process on the COPC module, demonstrating its commitment to maintaining high standards and delivering optimal customer experiences.
- **Agent Empowerment:** The Company's agents now have tools to assist customers more effectively. For instance, they can send service links via SMS, enabling customers to self-activate inactive cards for up to 12 months.

## DIGITAL SERVICING ENHANCEMENTS

- **Digital Onboarding via WhatsApp:** The Company has enabled a simple and secure digital journey for all newly acquired customers to educate and apprise them of cards benefits and features through WhatsApp.
- **Enhanced WhatsApp Features:** The WhatsApp menu now includes improved features such as:
  - Block & Reissue functionality with easy click-to-action options.
  - Paid indicators for repayment status on account summaries.
  - Comprehensive payment helps and notifications.
- **Automated Chargeback Module for UPI:** The Company has fully automated the process for disputes and chargeback resolution for UPI transactions, integrating it with its systems to ensure a smooth experience for its customers.

These initiatives are part of the Company's ongoing efforts to provide a seamless, personalised, and convenient experience across all customer touchpoints. SBI Card has remained dedicated to enhancing customer satisfaction and loyalty through continuous innovation and improvement in its services.

## TECHNOLOGY

SBI Card aims to be at the forefront of digital adoption by digitising the customer journey, across the life cycle of a

card from acquisition 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.

We have expanded our flagship program, SPRINT with an endeavour to increase completely digitised sourcing. This included successful launch of programs like integration with account aggregator, partners like Bank Bazaar & Paytm, Internet Banking (INB) and the Yono App of State Bank of India (SBI) for instant e-card issuance.

The company also rolled out several other IT programs to introduce new digital technologies, enhance the customer experience, and fulfil compliance requirements. In FY 2023-24, we have released programs like WhatsApp functionalities expansion, offer refactoring project to simplify the flexipay offer, Live chat integration with ASK ILA etc.

In the digital payments space, we have added one new payment channel – UPI to our ecosystem. The UPI RuPay Card was launched in July 2023 with successful integration with NPCI. This program is running successfully with 11L+ registrations to date.

Our focus remains on maintaining a customer-centric approach to develop and deliver digitally enabled products and services.

## NEW PAYMENT TECHNOLOGIES

In FY 2023-24, SBI Card has launched UPI RuPay Card as a new payment option. Integrating UPI (Unified Payments Interface) with SBI Card is being considered as a significant step forward in enhancing the convenience and accessibility of payment options for customers. UPI has gained immense popularity in India due to its ease of use, instantaneous transactions, and interoperability across different banks and payment platforms.

The Company has integrated UPI with SBI Card, allowing customers to make payments directly from their bank accounts linked to UPI without the need for additional credentials or authentication. This streamlines the payment process, making it more seamless for users.

## DIGITAL SOURCING CAPABILITIES

SBI Card has taken one more step towards making Digital sourcing through digital technologies and platforms. These platforms are used for streamlining and enhancing the process of sourcing for a business. Few initiatives are like Account Aggregator, Introducing Physical Verification Allocation Module in Originations, & Introduction of Blase for underwriting process etc.

- **Digital Carding:** SBI Card SPRINT channel is one of the fastest growing channels for onboarding customers. This year the Company's instant carding channel SPRINT has been successfully integrated with numerous key partners.



The Company has launched SBI Internet Banking (INB) Integration with SPRINT, SPRINT Lite for BRE journey, VKYC Integration with SPRINT, SPRINT integration with YONO and Paytm. The Company has onboarded 2.5L cards through SPRINT since launch.

- **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. In FY 2023-24 the Company has implemented a centralised Offer repository, Improved Resolution mechanism through Data Lake and Introduction of Turbine 2.0 to support key initiatives and Hyper personalisation. The Company has also developed DR setup for the Data Lake ecosystem to support business continuity.
- **Digital Servicing:** In its endeavour to empower its customers SBI Card has introduced many new self-service capabilities on its digital channels such as enhancing WhatsApp servicing expansion with new features such as download statement, BBPS on WhatsApp, Digital onboarding through WhatsApp. This year the Company completely revamped its Mobile App for Android and Apple users. 100% customer base already migrated to new mobile App.

In the area of Artificial Intelligence (AI) and ML, the Company has launched Live Chat integration with ASK ILA for CS agents, Next best action features on ASK ILA, RPA expansion to support automation and other key milestones. SBI Card has also introduced Card Retention tools on Digital Channels, e-NACH Facility for ENCASH Product etc.

### 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.

In FY 2023-24, SBI Card strengthened its infrastructure by implementing key initiatives. These included moving the network to the cloud to enhance Service Level Agreement (SLA) and internet experience, upgrading Database Technology to the latest version from Oracle 12c to 19c, and upgrading critical new customer Originations Databases infrastructure. This upgrade involved successfully migrating over 120 servers across 9 environments.

### COMPLIANCE

The Company is committed to the highest compliance standards by adopting a robust and independent compliance program that adheres to all regulatory and ethical requirements. SBI Card has established a comprehensive compliance framework to effectively manage all compliance risks. This framework includes a Board-approved compliance policy outlining the governance structure, detailed Code of Conduct guidelines,

and other essential elements. The Company also has a Board approved Fair Practice Code, KYC/AML Policy and Compliance 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.

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 program ensures continuous employee education and awareness for all new and existing employees.

### INTERNAL AUDIT

The Internal Audit team of the Company provides independent and objective assurance to the management on the effectiveness of Risk Management, Governance 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 conducting risk based internal audits across functions & processes. The risks associated with the business and various processes are identified as part of the risk assessment exercise. The internal audit team ensures that all identified risks and corresponding controls are covered as part of the audit process. The audit process incorporates elements designed to assess potential risks to organisational business performance, business objectives, 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.

## HUMAN RESOURCES

The overall employee strength of the company stands at 3,829 as on March 31, 2024. Strong and stable senior management has an average tenure of 11.5 years with the organisation. FY 2023-24 has witnessed some strong HR initiatives around all aspects of the employee lifecycle:

### Focus on Talent Acquisition Framework.

In today's competitive business environment, having the right talent can serve as a significant differentiator. The Company maintains a competitive edge by ensuring access to the skills and expertise necessary for innovation and adaptation to evolving market conditions. Attracting top talent is achieved through creating compelling job postings, leveraging employer branding, and utilising diverse recruitment channels. The focus of this function extends beyond merely filling positions promptly; it emphasises finding candidates who best align with the organisation in terms of skills, culture, and values. The steps taken to strengthen the Talent Acquisition are:

- ATS Implementation- End to end Digitisation of Hiring Steps.
- Creation of talent pipeline through Campus Hiring Program.
- Extensive Usage of LinkedIn platform for Senior level profiles.

### Continuous Skilling & Development Culture at SBI Card

- Functional Skill curriculum is designed and adopted in collaboration with business based on the needs of each business vertical towards enabling upskilling & reskilling.
- Strength based manager upskilling, used in collaboration with Gallup Strength profile. Managers are coached to engage in strength based feedback and coaching sessions with their teams. Managers take the Gallup survey to understand their strengths and subsequently are encouraged to use the same for their team.
- Digital upskilling continued to be a focus areas. Apart from interventions around AI & Data Science focus was also to make employee aware on the new age tools, like ChatGPT.
- Customer facing executives were groomed on communication and email etiquette in collaboration with British Council.
- Strategic execution plan was formulated to revamp the existing learning platform to enable data driven decision making and enhance learner engagement.

## DIGITISATION OF HR PROCESSES

The Company has envisioned Human Resources to grow as a digital workspace. The Company continues to evolve and transform HR processes through technology-enabled solutions with a user-centric approach, adequate information, and the right strategy, driving the business forward holistically. The Company implemented the new payroll platform with advanced technology, improved security features, system automation and modern looks. It has simplified and strengthened the

payroll systems for future. The new platform is equipped with interactive dashboards, quick links, and customised workflows. The system is also empowered on latest data security standards like multi factor authentication at the time of login.

## EMPLOYEE WELLNESS AND ENGAGEMENT

The Company continued its focus and efforts on employee wellness & engagement. It has undertaken various employee engagement initiatives as listed below to increase employee connect, boost employee morale and loyalty:

- Quarterly functional townhalls have been conducted across India, SMT connects have been initiated in every quarter to enhance the visibility, dialogues with Senior Leadership.
- HR connects sessions had been conducted across locations enabling the employees to share their feedback /concerns in person with the HR team.
- Developing an open culture: addressing employee queries via My voice portal, the closure responses are shared on the portal for the employees.
- Successfully closed AMIGO – buddy program for new joiners and their felicitation. A willing pool of AMIGO's have been created to assist the new joiners.
- First impression survey automated through Connexions & survey conducted for new joiners up to March 2024.
- Initiated Welcome Letters to new mothers, post Maternity: celebrating their return and conveying the Company's support for their transition.
- Launched a Cultural Scan survey for AM & above employee, intervention on gap analysis to be initiated shortly.
- Enhanced cross-functional engagement around Festival Celebration. Covered National events like Independence Day, Diwali, Christmas, Republic Day and Holi) along with an equal focus on regional festivals, with activities around Onam, Ganesh Chaturthi, Navratri / Durga Puja, etc.
- Sponsored employee participation and organised mentoring sessions for Delhi Half Marathon, Bengaluru 10k Marathon and Big Patiala Run.
- SBI Card Powerplay League Cricket tournament - Across 8 locations (including regional offices)
- 25 years PAN India employee celebration and customised gift distribution to all the employees on achieving the landmark. Leveraged on the 25 years celebration of SBI Card, the Company had employee connect events across regions with employees across the locations and leadership team joining them for better connect.
- Women's Day Celebrations on the International Theme of 'Inspire Inclusion' was successfully conducted PAN India along with the AIM network with activities like Interaction session with Dr. Arunima Sinha (Mountaineer), employee inspirational stories and personalised gifts.

Wellness Theme **“Fuelling Wellness, Igniting Potential”** was launched for FY 2023-24. Various wellbeing activities were conducted such as virtual sessions on focusing on Company's 5 pillars of Spiritual, Professional, Personal, Intellectual and Environmental Wellbeing., physical OPDs, Annual Wellness Event, Activity sessions such as Zumba, Yoga etc.

## CORPORATE SOCIAL RESPONSIBILITY

The Company has marked its presence through CSR initiatives in FY 2023-24 to strengthen public infrastructure, benefiting thousands of needy individuals, including youth, women, elderly and people with disabilities in areas of education, health, disaster management, Rural Development, environment sustainability and skill development. A detailed description of the Company's CSR and its impact has been provided in the CSR section of the Annual Report.

## FINANCIAL PERFORMANCE

Given is a snapshot of the financial results for the year ended 31 March, 2024, compared with the previous year:

Particulars	(₹ in crore)		
	FY 2023-24	FY 2022-23	% Change
Total Income	17,484	14,286	22%
Finance Costs	2,595	1,648	58%
Operating Costs	8,369	7,448	12%
<b>EBCC</b>	<b>6,519</b>	<b>5,190</b>	<b>26%</b>
Credit Costs	3,287	2,159	52%
<b>PBT</b>	<b>3,232</b>	<b>3,031</b>	<b>7%</b>
<b>PAT</b>	<b>2,408</b>	<b>2,258</b>	<b>7%</b>

Total Income increased from ₹ 14,286 crore in FY 2022-23 to ₹ 17,484 crore in FY 2023-24 registering a YoY growth of 22%.

- Interest income has increased by 29% from ₹ 6,153 crore in FY 2022-23 to ₹ 7,927 crore in FY 2023-24. Portfolio yield has increased from 16.7% in FY 2022-23 to 16.9% in FY 2023-24, while receivables have increased by 25%.
- Fees and commission income has increased by 24% from ₹ 6,604 crore in FY 2022-23 to ₹ 8,165 crore in FY 2023-24. The increase in fees and commission income has been driven by a 13% growth in cards-in-force and 26% growth in spends

Finance costs have increased by 58% from ₹ 1,648 crore in FY 2022-23 to ₹ 2,595 crore in FY 2023-24 and has been driven by higher cost of funds from 6.0% in FY 2022-23 to 7.3% in FY 2023-24 in line with the changes in market rates.

The efficiencies and scale of operations coupled with lower expense on account of lower cards compared to previous year helped in improving the cost to income ratio favorable in FY 2023-24 at 56.2% vs 58.9% in FY 2022-23.

EBCC has increased by 26% from ₹ 5,190 crore in FY 2022-23 to ₹ 6,519 crore in FY 2023-24 driven by higher income and lower operational costs.

Gross credit costs as a percentage of average receivables increased from 5.9% in FY 2022-23 to 7.2% in FY 2023-24. Net credit costs (after deducting recoveries from bad debts) as a percentage of average receivables have increased from 4.3% to 6.1% during the same period. To address this concern, the Company is taking a wide range of action covering entire life cycle including sourcing/underwriting, marketing/cross-sell campaigns, model upgrades, usage of alternate data and portfolio management actions like credit line decreases and intensification of collection efforts.

Net profit (after tax) has increased by 7% from ₹ 2,258 crore in FY 2022-23 to ₹ 2,408 crore in FY 2023-24.

## BALANCE SHEET AS OF MARCH 31, 2024

- Total balance sheet size has increased by 28% from ₹ 45,546 crore as on March 31, 2023, to ₹ 58,171 crore as on March 31, 2024.
- Net worth has increased by 23% from ₹ 9,902 crore as on March 31, 2023, to 12,156 crore as on March 31, 2024.
- Gross Credit card receivables have increased by 25% from ₹ 40,772 crore as on March 31, 2023, to ₹ 50,846 crore as on March 31, 2024.

## ASSET QUALITY

Gross non-performing Assets as a percentage of gross advances (GNPA) have increased from 2.35% as on March 31, 2023, to 2.76% as on March 31, 2024. Net non-performing assets as a percentage of gross advances (NNPA) have increased from 0.87% to 0.99% 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 20.5% as on March 31, 2024, compared to 23.1% as of March 31, 2023.

The company's CRAR was impacted by the RBI circular dated Nov'2023 which required increase in risk weight or credit card receivables by 25%. This reduced the CRAR of the company by ~40 bps. The company issued 1,250 crore of Tier ii capital in Q4 to augment the overall capital

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 16.5% as of March 31, 2024, compared to 20.4% as of March 31, 2023.

The Company enjoys the highest credit rating from CRISIL and ICRA for both short-term and long-debt programs 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, term loans and debentures. As on March 2024, the Company had ₹ 7,206 crore of unutilised banking limits, which translates into 21% 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 a single reportable segment of 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	FY 2023-24	FY 2022-23	% Change
Interest Income Yield	16.9%	16.7%	27bps
Net Interest Margin	11.3%	12.1%	-87bps
Cost to Income	56.2%	58.9%	-272bps
Return on average assets	4.7%	5.6%	-93bps
Return on average equity	21.7%	25.3%	-354bps
EPS (basic) ₹	25.39	23.92	6%
Financial Leverage (Debt/Equity = Liabilities/Tier 1 Equity)	4.4	4.3	3%
Total Capital Adequacy Ratio	20.5%	23.1%	-257bps
Gross NPA	2.76%	2.35%	41bps
Net NPA	0.99%	0.87%	12bps

### EXPLANATION OF RETURN ON AVERAGE EQUITY

Return on average equity (ROAE) has decreased from 25.3% in FY 2022-23 to 21.7% for FY 2023-24. Return on average assets (ROAA) has decreased from 5.6% in FY 2022-23 to 4.7% in FY 2023-24. The following table provides a summary computation of the ratios:

### ROA TREE AS A PERCENTAGE OF AVERAGE TOTAL ASSETS

Particulars	FY 2023-24	FY 2022-23	% Change
Total Income	33.9%	35.4%	-149bps
Finance Costs	5.0%	4.1%	95bps
Operating Costs	16.2%	18.5%	-223bps
<b>EBCC</b>	<b>12.7%</b>	<b>12.9%</b>	<b>-22bps</b>
Credit costs	6.4%	5.4%	103bps
PBT	6.3%	7.5%	-124bps
Taxes	1.6%	1.9%	-32bps
<b>PAT (ROAA) (A)</b>	<b>4.7%</b>	<b>5.6%</b>	<b>-93bps</b>
Average Assets/Average Equity(B)	4.6	4.5	
<b>ROAE= (A*B)</b>	<b>21.7%</b>	<b>25.3%</b>	<b>-354bps</b>

### PROSPECTS

Indian payment industry, alongside retail lending, has experienced significant growth in recent years. Government and regulatory bodies are actively promoting digital payments nationwide. Credit card penetration in India still remains lower than in advanced economies, presenting substantial growth prospects for the Company. To enhance its market share in both spends and card issuance, while ensuring profitable growth, the Company has outlined the following focus areas.

**Leverage Technology:** The Company aims to increase its digital sourcing and enable instant card issuance. The 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.

**Cobrand Partnerships:** During FY 2023-24, the Company launched two new cobrands with Reliance Retail and Titan. SBI Card is working on tapping new co brands for increasing card base. The strategy is to focus on large cobrand partnership with partners in the airline, e-commerce, online and fintech categories.

**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 focused on growing interest-earning assets through higher EMI penetration. This not only helps in customer engagement but also in customer retention.

**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 the customers such as chatbot, whatsapp servicing are helping the customer resolve their queries fast. The Company plans to launch more such initiatives leveraging AI.

# Board's Report

Dear Members,

Your Directors' are pleased to present the Twenty Sixth (26<sup>th</sup>) Annual Report along with the Audited Annual Accounts of your Company for the financial year ended March 31, 2024.

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

The financial performance of the company for the financial year ended March 31, 2024 and for the previous year is summarised below: –

S. No	Particulars	₹ In Crores	
		FY 2023-24	FY 2022-23
1	Income	17,483.50	14,285.67
2	Finance Cost	2,595.22	1,647.63
3	Operating & Other Expenses	11,459.73	9,443.66
4	Depreciation and Amortisation	196.75	163.81
5	Profit /(Loss) Before Tax	3,231.80	3,030.57
6	Tax	823.92	772.10
7	Profit /(Loss) After Tax	2,407.88	2,258.47
8	Add: Opening surplus in statement of profit and loss	6,042.02	4,481.06
9	Add: Transfer from/to other comprehensive income	-1.17	-3.41
10	Less: Amount transferred from retained earnings for unclaimed customer credit balance above 10 years	1.39	5.89
11	Less: Transfer to Statutory Reserve	481.58	451.69
12	Less: Interim equity dividend (amount ₹ 2.50 per share in FY 23-24, ₹ 2.50 per share in FY 22-23)	237.74	236.52
13	Balance of P&L Account C/F to Balance Sheet	7,728.02	6,042.02

In FY24, the company celebrated 25 glorious years of “Trust and Excellence”. We endeavor to “make life simple” for our customers, employees, and other business stakeholders.

Cards-in-force grew by 13% to reach 1.89 Crore as on March 31, 2024. The Company generated spends of ₹ 3,29,589 Crore at 26% YoY growth. Receivables grew by 25% YoY to close the year at ₹ 50,846 Crore.

The Company delivered Profit after Tax of ₹ 2,408 Crore at 7% YoY growth with ROAA of 4.7% and ROAE of 21.7%.

In terms of cards-in-force and spends, SBI Card is the 2<sup>nd</sup> largest credit card issuer.

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

Mr. Rama Mohan Rao Amara, former Managing Director and Chief Executive Officer of the Company resigned from the directorship and CEO Position with effect from the close of business hours on August 11, 2023. Thereafter, Mr. Abhijit Chakravorty was appointed as the Managing Director and Chief Executive Officer of the Company with effect from August 12, 2023.

During the financial year 2023-24, the Company had allotted 4,894,130 Equity Shares of ₹ 10/- each to the eligible participants 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 ₹ 9,46,07,43,890/- consisting of 94,60,74,389 equity shares of ₹ 10/- each as on March 31, 2023 to ₹ 9,50,96,85,190/- consisting of 95,09,68,519 equity shares of ₹ 10/- each as on March 31, 2024. 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

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”).

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, pertaining to right but not an obligation, of the Debenture Trustee(s) to nominate 1 (one) person as their nominee on the Board of the Company, in accordance with the applicable laws and depending on the agreement in that regard between Debenture Trustee(s) and the Company (on occurrence of the events specified in said clause). Further, the shareholders of the Company at the 25<sup>th</sup> Annual General Meeting of the Company held on August 9, 2023 by way of the special resolution, had approved the insertion of clause 33(ii)(e) in the Articles of Association of the Company.

## 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.

## RESERVES

During the year ended March 31, 2024, the Company appropriated ₹ 481.58 Crores towards the Statutory Reserves (₹ 451.69 Crores in FY23) in accordance with Section 45-IC of the Reserve Bank of India Act, 1934.

Status of other reserves and share application money pending allotment (stated as other equity in financial statements) as on March 31, 2024 is as follows:

Other Equity		(Figure in ₹ Crores)	
Particulars	FY 2023-24	FY 2022-23	
Capital Redemption Reserve	3.40	3.40	
General Reserve	24.37	21.12	
Statutory Reserves	2,268.35	1,786.77	
Capital Reserve (on account of amalgamation)	(71.51)	(71.51)	
Securities Premium	1,154.93	1,049.16	
Retained Earnings	7,728.02	6,042.02	
Share application money pending allotment	0.04	-	
Share Options outstanding account	12.75	40.13	
Cash flow hedging reserve	-	(0.34)	
Equity investment - OCI	12.71	13.23	
<b>Total</b>	<b>11,133.06</b>	<b>8,883.99</b>	

## MANAGEMENT’S DISCUSSION AND ANALYSIS REPORT

Management’s Discussion and Analysis Report for the year under review, as stipulated under the Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023, 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, 2024, 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 2023-24 in accordance with provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Dividend Distribution Policy of the Company, as amended. (FY 2022-23 - ₹ 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> and accordingly forms a part of this report.

## 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 25<sup>th</sup> Annual General Meeting held on August 9, 2023, 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) from the date of the 25<sup>th</sup> Annual General Meeting and upto the date of the next annual general meeting of the Company for a period not exceeding fifteen months.

Since the approval as mentioned above is valid upto the date of the next Annual General Meeting of the Company i.e. AGM to be held in FY 2024-25, 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 26<sup>th</sup> 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 20.53 % with 16.51% as Tier 1 Capital, as of March 31, 2024.

## DEBENTURES

### ISSUE OF DEBENTURES

During the Financial Year 2023-24, your Company has raised money by issuance and allotment of following debentures:

- ₹ 810 Crores – 81,000 Fixed Rate, Unsecured, Rated, Taxable, Redeemable, Senior, Listed Non-Convertible Debentures of face value of ₹ 1,00,000/- each.
- ₹ 525 Crores - 525 Fixed Rate, Unsecured, Rated, Taxable, Redeemable, Subordinate TIER II, Listed Non-Convertible Debentures of ₹ 1,00,00,000/- each.
- ₹ 750 Crores - 750 Fixed Rate, Unsecured, Rated, Taxable, Redeemable, Subordinate TIER II, Listed Non-Convertible Debentures of ₹ 1,00,00,000/- each.

### REDEMPTION OF DEBENTURES

During the Financial Year 2023-24, following Non-Convertible Debentures were duly redeemed on due date:

- Series 8, 5,000 Unsecured Non-Convertible Debentures of ₹10,00,000/- each.

- Series 7, 2,000 Unsecured Non-Convertible Debentures of ₹10,00,000/- each.
- Series 20, 4,000 Unsecured Non-Convertible Debentures of ₹10,00,000/- each.
- Series 21, 5,000 Unsecured Non-Convertible Debentures of ₹10,00,000/- each.
- Series 23, 5,500 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 Nine Directors namely Mr. Dinesh Khara, Chairman, Non-Executive Director (Nominee of SBI); Mr. Ashwini Kumar Tewari Non-Executive Director (Nominee of SBI); Mr. Nitin Chugh, Non-Executive Director (Nominee of SBI); Mr. Abhijit Chakravorty, Managing Director & CEO (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. Swaminathan Janakiraman, Non-Executive Director (Nominee of SBI) 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. Mihir Narayan Prasad Mishra, Non-Executive Director (Nominee of SBI) resigned from the directorship of the Company with effect from July 31, 2023, consequent upon his superannuation from the service of the State Bank of India.

Mr. Rama Mohan Rao Amara, the then Managing Director & CEO of the Company resigned from the directorship and CEO Position of the Company with effect from the close of business hours on August 11, 2023, due to his transfer back to the State Bank of India.

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. August 12, 2023, subject to the approval of members of the Company. Further,

the shareholders of the Company at the 25<sup>th</sup> Annual General Meeting of the Company held on August 9, 2023, approved 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.

During the year under review, the Board of Directors of the Company appointed Mr. Debangshu Munshi, (DIN: 10242136); Mr. Nitin Chugh (DIN: 01884659); and Mr. Ashwini Kumar Tewari (DIN:08797991) as Non – Executive Directors (Nominee of SBI) of the Company w.e.f. July 28, 2023, October 4, 2023 and January 25, 2024, respectively, 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, vide the resolutions passed through Postal Ballots conducted during the period under review, approved such appointments.

Mr. Debangshu Munshi, Non-Executive Director (Nominee of SBI) resigned from the directorship of the Company with effect from the close of business hours on January 4, 2024, due to his other professional commitments.

As on March 31, 2024, the Company had three Key Managerial Personnel namely Mr. Abhijit Chakravorty, 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.

Mr. Dinesh Khara, Chairman, Non-Executive Director (Nominee of SBI) was appointed on the Board of Directors of the Company w.e.f. November 1, 2016. Pursuant to Regulation 17(1D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, since Mr. Dinesh Khara is serving on the Board of Directors of the Company for more than five years and due to the applicable laws/statutory provisions prevalent at the time of his appointment, the matter pertaining to his appointment was not put up for approval of the Shareholders then and during the last five years. Accordingly, in order to ensure compliance with the said regulation, the Board of Directors of the Company at its meeting held on July 16, 2024 has recommended to the shareholder continuation of Directorship of Mr. Dinesh Khara at the ensuing Annual General Meeting.

Your Directors, place on record their sincere appreciation for the contribution made by Mr. Swaminathan Janakiraman, Mr. Mihir Narayan Prasad Mishra, Mr. Rama Mohan Rao Amara and Mr. Debangshu Munshi 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 been undertaking and participating in the socially important projects to strengthen public infrastructure benefiting thousands of needy individuals

that includes youth, women, elderly and differently abled individuals in areas of Education, Health, Environment sustainability, Skill Development, Rural Development and Disaster Management.

Your Company has also framed a CSR policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. 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, 2024 of the credit cards issued to Directors of the Company was ₹ 0.02 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 2023-24. Statutory Audit was duly done by the referred firms. There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors in their reports. The Statutory Auditors' report is self-explanatory in nature and does not require any comments from Directors of the Company.

Also, Supplementary Audit of the Company was conducted by the Comptroller and Auditor General of India in accordance with Section 143(6)(a) of the Companies Act, 2013, on the financial statements of the Company for the year ended 31 March 2024. The Comptroller and Auditor General of India in the Audit Report for the Financial Year 2023-24 made the following observations on the Statutory Auditors' Report. The observations were shared with the Statutory Auditors and the observations along with the Statutory Auditors' comments on the same are stated herein below:

#### A. Independent Auditor's Report:

##### CAG observation No. A.1:

Companies (Audit and Auditor) Rules, 2014 under clause 11 (other matters to be included in auditors report) states that the auditor's report shall also include their views and comments on the following matters:

'Whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts; and whether the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.'

Audit observed the following:

- i) The independent auditor's report did not contain their views and comments on whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- ii) The independent auditor has also not commented/disclosed that the company has paid interim dividend amounting to ₹ 362.64 crore during the year;

Hence, the Independent Auditor's Report is deficient to that extent.

**Independent Auditor's Response:** The observation is duly acknowledged. In the current financial year there were no long-term contracts including derivative contracts which results in any material foreseeable losses and thus no provisions were made for the same. Further, in relation to interim dividend being an inadvertent manual error of omission of the word "or paid", we will ensure all such disclosures are accurately included in our report and will comment specifically upon the same in future.

#### B. Independent Auditor's Report:

##### CAG observation No. A.2:

Companies (Auditor's Report) Order, 2020 under clause 3 (xvi) (Matters to be included in auditors report) mandates the auditor's report to comment on the following:

- (a) whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained;
- (b) whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria; and
- (d) whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group"

Audit observed the following:

- i) for sub-clause (b), the independent auditor failed to comment on whether the company has conducted any Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- ii) for sub-clause (c), the auditor has stated that 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. However, the comment that reporting under sub-clause (d) of the order is not applicable is not factually correct as at sub-clause (d) the auditor is required to comment on whether the Group has more than one CIC as part of the Group. If the group has no CIC or not more one CIC, the auditor shall report this fact. If the group has more than one CIC, the auditor shall report the number of CICs in the Group.

Therefore, the Independent Auditor's Report is deficient to that extent.

**Independent Auditor's Response:** The observation is duly acknowledged. We wish to inform that the company has not engaged in any Housing Finance activities and does

not have a valid certificate of registration (COR) from the Reserve Bank of India to conduct Housing Finance activities. Further, we wish to inform that due to the absence of any CIC in the group pertaining to the current financial year, reporting on the above matter was not obligatory. We will ensure all such disclosures are accurately included in our report and will comment specifically upon the same in future.

### C. Independent Auditor's Report:

**CAG observation No A.3:** Companies (Auditor's Report) Order, 2020 under clause 3 (iii) (c) states that the auditor's report shall include a statement on the following matters:

In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular. As per the guidance note on CARO, in case where the schedule of repayment of principal and payment of interest is stipulated but repayment of principal or payment of interest is not regular then the auditor may report the fact and may give number of cases and remarks, if any. A reference is invited to clause (iii) (c) of Annexure 1 to independent auditors' report which states that the company is a non-banking financial company engaged in the business of issuing credit card to customers. In respect of loans and advances in the nature of loans, the schedule of repayment of principal and interest payment for EMI portion of portfolio is stipulated, rest of the portfolio is Non-EMI portion which do not constitute any schedule of repayment. Having regard to the nature of the company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified.

Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognized necessary provisions in accordance with the principles of Ind AS and the guidelines issued by RBI, the parties in general are repaying the principal amounts, and are also generally regular in payment of interest, as applicable.

During audit scrutiny it was observed that during the current year the customers under the EMI portion of portfolio defaulted against 8526 nos. of the accounts amounting to ₹ 65.90 crore. However, the independent auditor failed to report the same. Therefore, the Independent Auditor's Report is deficient to that extent.

**Independent Auditor's Response:** It is essential to note that the Company operates as a specialized NBFC primarily engaged in the Credit Card business, where its core products and services involve rendering loans in the form of Credit Cards to its customers. Company's portfolio

comprises of EMI and Non-EMI loan balances. Both the EMI and non -EMI loans are tagged under the same account of the customer.

We have noted the observation and shall include the number of EMI accounts in default and %age of EMI loans in default in future. For the Financial year 23-24, 8526 EMI accounts were in default.

Further, Statutory Auditors of the Company, single or joint for the Financial Year 2024-25 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. Agarwal S. & Associates, Company Secretaries, as the Secretarial Auditor of the Company to carry out secretarial audit for the financial year 2023-24. The Secretarial Audit Report obtained from M/s. Agarwal S. & 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 FY 2023-24.

The total amount involved in these frauds was ₹ 2.19 Crores and the recovery against this amount (pertaining to current year as well as the previous years) was ₹ 0.89 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 2023-24, the Company incurred foreign currency expense of an amount of ₹ 687.94 Crores on network, other service charges and other expenses (FY 2022-23: ₹ 607.48 Crores).

The dividend remitted for FY 2023-24 in foreign currency was ₹ NIL (FY 2022-23: NIL).

The foreign exchange earnings during FY 2023-24 were ₹ 746.52 Crores (FY 2022-23: ₹ 792.92 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 organisation, 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 a 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](http://www.sbicard.com). The Annual Report including the financial statements are being sent to the shareholders excluding the said details. 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 the Board of Directors of the Company, Independent Directors on the Board of Company hold the highest standards of integrity. They are highly qualified, recognized, experienced (including proficiency) and respected individuals in their respective fields. It's 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 at 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 17<sup>th</sup> 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 organisation, motivate management to collaborate and attract and retain key talent, critical to organisations' 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 Plan 2019 are detailed as below:

(a)	Total Options granted during the year ended March 31, 2024	Nil
	Total Options granted till the date of report	1,34,75,650
(b)	Number of options vested:	
	• During the year ended March 31, 2024	4,385,785
	• Total Options Vested as on the date of the Annual report	12,746,070
(c)	Options exercised during the year;	48,96,730
(d)	The total number of shares arising as a result of exercise of option;	48,96,730
(e)	Options lapsed;	2,62,700
(f)	The exercise price;	₹ 152.10
(g)	Variation of terms of options;	None
(h)	Money realised by exercise of options during the year;	₹ 74.48 Crores
(i)	Total number of options in force;	6,89,360 (including options vested but not exercised)
(j)	Employee wise details of options granted to:-	
	(i) Key managerial personnel;	No options were granted to the KMPs during the FY23-24
	(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)

Pursuant to the recommendation of the Board of Directors at its Meeting held on June 5, 2023, the Shareholders of the Company through Postal Ballot on July 23, 2023 had approved 'SBI Card Employee Stock Option Plan 2023'.

The purpose of this Plan is to reward Employees to align individual performance with Company objectives; to create a culture of ownership and participation among the Employees to enhance their commitment to the Company; and to attract, motivate and retain talent, critical to the Company's success; The Scheme is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The brief details of the Employees Stock Option Plan 2023 are detailed as below:

(a)	Total Options granted during the year ended March 31, 2024	5,71,877 [ - Restricted Share Units (RSU) - 3,46,604. - Performance Share Units (PSU) - 2,25,273]
(b)	Number of options vested during the year ended March 31, 2024	NIL
(c)	Options exercised during the year;	NIL
(d)	The total number of shares arising as a result of exercise of option;	NIL
(e)	Options lapsed;	34,522
(f)	The exercise price;	₹10/-
(g)	Variation of terms of options;	None
(h)	Money realised by exercise of options during the year;	NIL

(i) Total number of options in force;	5,37,355
(j) Employee wise details of options granted to:-	
(i) Key managerial personnel;	<b>Ms. Rashmi Mohanty, Chief Financial Officer</b> – 15,608 (RSU 5,463 + 10,145 PSU) <b>Ms. Payal Mittal Chhabra, Company Secretary</b> – 4860 (RSU 2,430 + 2,430 PSU)
(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>

## UPDATE ON CUSTOMER COMPLAINTS

Particulars	Gross Inflow		Gross Complaints		Net Complaints (Subset of Gross Inflow)	
	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024	As of March 31, 2023	As of March 31, 2024	As of March 31, 2023
No. of cases pending at the beginning of the year	3,225	8,983	2,724	8,983	78	1,410
No. of cases received during the year	315,634	649,121	170,640	343,923	6,208	7,167
No. of cases redressed during the year	315,636	654,880	170,562	350,182	6,189	8,499
No. of Cases pending at the end of the year	3,223	3,225	2,802	2,724	97	78

### Note:

**Gross inflow** means any issue raised by our customers across channels and recognised 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 Apr'22.

**Net Complaints** mean 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 organisation 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/Centralised 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:

- in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- 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;
- 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;
- 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, 2024 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 Requirements) Regulations, 2015 read with relevant SEBI Circulars, describing the initiatives taken by Company from environmental, social and governance perspective, has been appended herewith as **Annexure 5** alongwith the Independent Reasonable Assurance Statement from SGS India Private Limited 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 Requirements) 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, 2024.

### 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 organisation 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, 2024.
- (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 cooperation.

**For and on behalf of the Board**

Date: July 16, 2024  
Place: Mumbai

**Dinesh Khara**  
CHAIRMAN  
DIN: 06737041

## 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.
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	<b>State Bank of India</b> , Holding Company	<ul style="list-style-type: none"> <li>• Finance charges</li> <li>• Advertisement, sales promotion (incentives) &amp; Collection</li> <li>• Cost allocations and other arrangements</li> <li>• Borrowings (including Interest)</li> <li>• Fixed Deposit (including Interest)</li> <li>• Fees and Commission, Bank charges</li> <li>• Royalty Expenses</li> <li>• Loans &amp; Advances and other arrangements</li> <li>• Contribution to Other Fund</li> <li>• Dividend Paid (exempted under Listing Regulations)</li> <li>• Cash &amp; Bank Balance</li> <li>• Lease Rentals</li> </ul>	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 16, 2024  
Place: Mumbai

**Dinesh Khara**  
Chairman  
DIN: 06737041

## Annexure -2 to the Board's Report

### Annual Report on CSR Activities for FY 23-24

#### 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, 2024):

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	5	5
2	Mr. Abhijit Chakravorty	Member, Executive Nominee Director	3	3
3	Mr. Dinesh Kumar Mehrotra	Member, Independent Director	5	5

During FY 2023-24, Mr. Abhijit Chakravorty and Mr. Debangshu Munshi were inducted in the Committee w.e.f. August 12, 2023 and August 1, 2023, respectively.

Further, Mr. Rama Mohan Rao Amara, Mr. Mihir Narayan Prasad Mishra and Mr. Debangshu Munshi, were ceased to be the members of the Committee w.e.f. the Close of business hours on August 11, 2023, July 31, 2023 and January 4, 2024, respectively.

#### 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](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-FY-23-24.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	Lotus Petal Charitable Foundation	Project support the development and operation of the Hybrid School at Lotus Petal Foundation Silokhera Gurgaon, Haryana which aids the provision of education to children of underprivileged background through the Hybrid model of schooling, which is essentially a blend of traditional in-school learning and online learning for Imparting quality education.	1.78 Crores
2	Doctors For You	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.	1.70 Crores
3	Saint Hardayal Educational and Orphans Welfare Society (SHEOWS)	Support rescue for 400+ abandoned, destitute & homeless elderly across Delhi/ NCR and food, medical care and recreational activities for 200+ uniquely identified elderly beneficiaries at SHEOWS facilities in Delhi and Garhmukhteshwar, Uttar Pradesh.	2.02 Crores



Sl. No.	Implementing Partner	Project	Amount Spent (in ₹)
4	Sri Sathya Sai Health and Education Trust	Objective of the project is to expand 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.	1.58 Crores
5	Round Table India Trust	Project aims to empower people with locomotive disorder by providing customised 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.	1.67 Crores
6	Healthcare Sector Skill Council	Train a total of 500+ eligible candidates under 4 different job roles related to COVID-19 Frontline Workers which were launched by the Hon'ble Prime Minister on 18 <sup>th</sup> June 2021.	1.83 Crores
7	Sri Sathya Sai Health and Education Trust	The project aims to provide critical medical equipment to the 40 bedded mother and child hospital in Palwal to address maternal, child mortality and morbidity issues.	2.76 Crores
8	Yuva Unstoppable	The project is centered around enhancing learning outcomes by improving access to technology and empowering students across 11 schools of Delhi and Gurgaon.	1.55 Crores
9	Tarun Bharat Sangh	The project aims 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 techniques. TBS will also mobilize local communities for participatory water resources management.	1.07 Crores
10	Smile Foundation	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)	1.80 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/impact-assesment-report-FY-2023-24.pdf>

5.
  - a. **Average net profit of the company as per sub-section (5) of section 135** - ₹ 2,186.93 Cr.
  - b. **Two percent of average net profit of the company as per sub-section (5) of section 135** - ₹ 43.74 Cr.
  - 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
  - e. **Total CSR obligation for the financial year [(b)+(c)-(d)]**- ₹ 43.74 Cr
6.
  - a. **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)**- ₹ 34.65 Cr.
  - b. **Amount spend on Administrative Overheads**- Nil
  - c. **Amount spend on impact Assessment, if applicable**- ₹0.22 Cr.
  - d. **Total amount spent for the Financial Year [(a) + (b) + (c)]**- ₹ 34. 87 Cr.
  - e. **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (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 Unspent (in ₹)	
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer	Amount	Date of transfer
34.87 Crores	8.87 Crores	19-04-2024	NA	NA	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	43.74 Crores
(ii)	Total amount spent for the Financial Year	34.87 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 remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any	
					Amount (in ₹)	Date of Transfer		
1	FY-2022-23	3.42 Cr.	Nil	3.42 Cr.	Nil	NA	Nil	NA
2	FY-2021-22	0.25 Cr.*	Nil	Nil	Nil	NA	Nil	NA

\* Unspent amount of ₹ 0.25 Cr for FY 21-22 was duly utilised in FY 22-23.

**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 2023-24, the company had a total CSR obligation of ₹ 43.74 Cr. against which it has spent ₹ 34.87 Cr. Unspent amount for ongoing projects for the FY 2023-24 stands at ₹ 8.87 Cr. Company has linked project milestones to the disbursement schedule for all programs to keep the expenditure in line with the approved budget, however due to unavoidable externalities including obtaining requisite approvals from nodal authorities, Agreement Finalisation, delay in procurement, time consumed in community engagement have resulted in some amount being unspent for ongoing projects. This amount has been transferred into CSR Unspent Account as per the provisions of Section 135(6) and will be utilised 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**

**Abhijit Chakravorty**

MD & CEO  
DIN:09494533

**Rajendra Kumar Saraf**

Chairman, Corporate Social  
Responsibility and ESG Committee  
DIN:02730755

**Dinesh Khara**

Chairman  
DIN:06737041

## Annexure A

# EXECUTIVE SUMMARY OF IMPACT ASSESSMENT STUDY OF 10 CSR PROJECTS

### BACKGROUND

SBI Cards and Payment Services Limited also known as 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** 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**. Its CSR vision & mission is mentioned below:<sup>1</sup>

#### CSR Vision of SBI Card



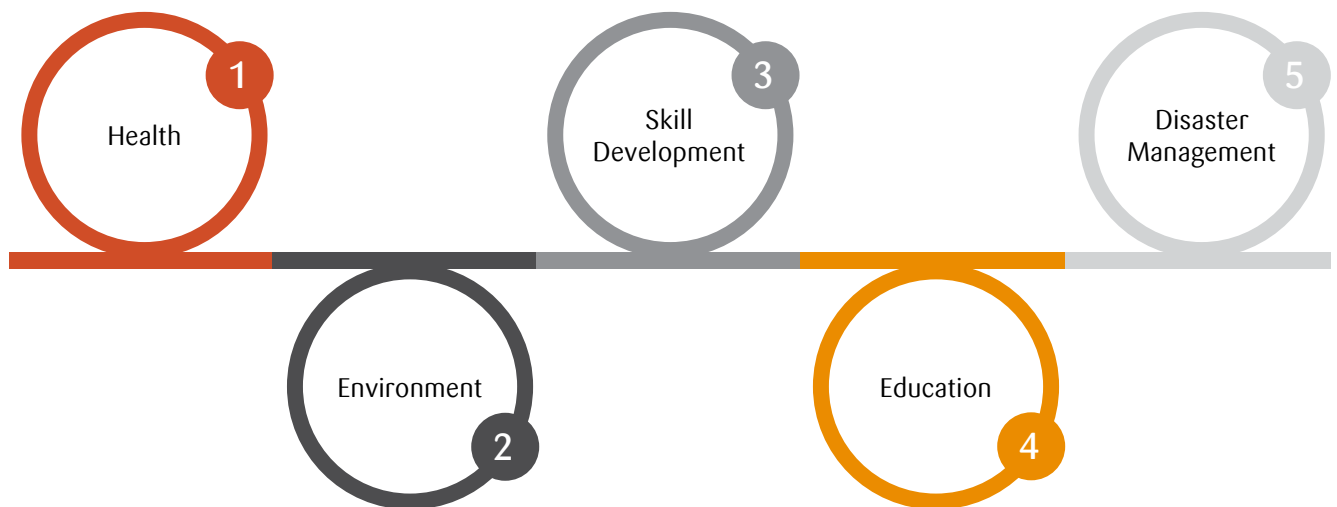
The company's CSR vision is for an inclusive society where everybody has access to opportunities, financial security, and quality life.

#### CSR Mission of SBI Card



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

Making life simple for their clients and other stakeholders via trust and quality has always been SBI Card's guiding principle. This philosophy has also been used by SBI Card to its Corporate Social Responsibility (CSR) programmes, as they aim to significantly improve the lives of the communities they serve. The main SBI Card's theme areas are illustrated below<sup>2</sup>.



<sup>1</sup> Source: <https://www.sbicard.com/sbi-card-en/assets/docs/html/personal/csr/about-csr.html> (As retrieved on 9 October 2023)

<sup>2</sup> Source: <https://www.sbicard.com/sbi-card-en/assets/docs/html/personal/csr/index.html> (As retrieved on 9 October 2023); Source: <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sbi-card-annual-report-fy-2021-22.pdf> (Page 52-53, As retrieved on 9 October 2023)

**PROJECTS UNDER REVIEW**

SBI Cards and Payment Services Limited (SBI Card) has been implementing a gamut of CSR interventions for communities across multiple regions of the country in & around their geographical presence. PW has been engaged by SBI Card to provide support and assistance for an independent review and impact assessment of its multiple Corporate Social Responsibility (CSR) Projects as identified by the Management to be carried out in several phases. Earlier the **Phase I** has been completed wherein **Impact Assessment of 8 CSR projects** have been carried out. This report highlights the findings of the **Phase II** of the project, where the study was commissioned to carry out **Impact Assessment of 10 CSR projects** implemented by SBI Card across India to understand the direct and indirect impacts of their CSR interventions on the communities. Memorandum of Understanding (MoUs) 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 relevance, impact, sustainability, need & strength of implementing partners, design the projects, provide financial support, and undertake continuous monitoring. Below infographic represents the number of CSR projects which formed a part of the current impact assessment as per the key thematic areas:



The following table depicts the overview of the 10 CSR projects which were covered under the impact assessment study in this phase:

**List of projects under assessment**

S. No.	Sector	CSR project name	Project / Review period	Implementing Partner	Project Location(s)	Project Reach <sup>3</sup>
1.	Education	Education to underprivileged children	Feb 21 to May 22	Lotus Petal Charitable Foundation	Gurugram, Haryana	1,467 students, 43 Teachers
2.	Disaster management	Home based management of COVID-19	Jan 22 to Apr 22	Doctors For You	Gurugram, Haryana	40,449 beneficiaries, 11,945 medical kits distributed, 12,809 home visits undertaken
3.	Healthcare	Support rescue for 400+ abandoned, destitute & homeless elderly across Delhi/NCR and food, medical care, and recreational activities for 200+ uniquely identified elderly beneficiaries at SHEOWS facilities in Delhi and Garhmukhteshwar, Uttar Pradesh.	Apr 21 to March 22	Saint Hardayal Educational and Orphans Welfare Society (SHEOWS)	South-East Delhi, Delhi, Amroha/ Garh-mukhteshwar, Uttar Pradesh	Rescue support for 400+ homeless elderly; Food, medical care, and recreational activities for 200+ uniquely identified elderly beneficiaries

S. No.	Sector	CSR project name	Project / Review period	Implementing Partner	Project Location(s)	Project Reach <sup>3</sup>
4.	Healthcare	To provide support with critical medical equipment for Child Heart Care in Sri Sathya Sai Sanjeevani Hospital at Haryana	Dec 21 to Jun 22	Sri Sathya Sai Health and Education Trust	Palwal, Haryana	Surgical support for 309 children having congenital heart disease (CHD)
5.	Healthcare	Enabling lives through mobility	Jan 2022 to Aug 2022	Round Table India Trust	PAN India	154 beneficiaries are provided with customised and detachable mobility solutions
6.	Healthcare	Skill Development of 500+ Youth in COVID-19 job-roles.	Sept 2021 to Aug 2022	Healthcare Sector Skill Council	Delhi, Gurugram	512 youths received training under this programme
7.	Healthcare	To provide critical medical equipment for the 40 bedded Mother and Child Hospital, which will help in addressing the Maternal and Child Mortality and Morbidity	June 2022 to Dec 2022	Sri Sathya Sai Health and Education Trust	Palwal, Haryana	Treatment was provided to 2,340 patients which included 45 deliveries and 2,027 antenatal visits and 269 gynecology visits
8.	Education	SBI Card Smart Power Schools (SBI Card Future Classroom)	Feb 2021 to Nov 2022	Yuva Unstoppable	Delhi, Gurugram	3,550 students along with 100 teachers from the 11 Schools within Delhi NCR
9.	Environment	Ensuring sustainable water security for rural communities through rainwater harvesting	Nov 2021 to Nov 2022	Tarun Bharat Sangh	Nuh, Haryana	Total 5,392 <sup>4</sup> beneficiaries: Kisaan Jagruti Shivar: 211; Exposure Visit: 59; Yuva Jagruti Shivar: 101; Rainwater Harvesting Structure: 4,109; Sprinklers: 336; Drinking Water Tank: 576
10.	Healthcare	For providing primary healthcare facility to needy underprivileged people through Mobile medical unit – “Smile on Wheels”	Dec 2021 to Nov 2022	Smile Foundation	Delhi, Gurugram, Nuh and Agra	1,557 mobile clinics conducted; 85,003 beneficiaries covered through daily OPDs; 6,022 POC tests done; 1,090 ANC and 107 PNCs reported; 11,609 beneficiaries sensitised through IEC activities.

<sup>3</sup> Source: As per reports shared by SBI Card and/or Implementing partners for all the 10 projects and no validation has been done of project reach as part of the study.

<sup>4</sup> Including 3,270 indirect beneficiaries of RWHS, as per information shared by TBS team

## PROJECT WISE FINDINGS:

### PROJECT 1: EDUCATION TO UNDERPRIVILEGED CHILDREN (LOTUS PETAL CHARITABLE FOUNDATION)

SBI Card initiated a project in February 2021 to **support the development and operation of the hybrid school<sup>5</sup> at Lotus Petal Foundation Silokhera, Gurgaon<sup>6</sup> for provision of education to underprivileged children.** Due to the COVID-19 pandemic, education sector endured significant impact. To continue the education in a seamless manner, Lotus Petal Charitable Foundation proposed the hybrid model of schooling.

The SBI Card **project supported the development of infrastructure** (as per the list of equipment given in the below table) **for the hybrid school for 400 students** along with **operating expenses (teachers' salary, training & capacity building, rent and school supplies) to meet the needs of the new academic session (for 1067 students).** Multiple components were funded under this project, which included both **capex and opex support.** The list of capex support provided in the LPF school is as follows:

S. No.	Equipment	Quantity provided by SBI Card
1.	Laptop Stand	43
2.	Portable floor podium stand – Height adjustable steady standing	23
3.	Office guest desk chair with study chair	23
4.	Wired headset, stereo headphones with noise cancelling	43
5.	Wacom interactive pen and touch display	43
6.	Acoustic partition - Sound absorbing desk divider - Desk privacy panel - Sound dampening	2
7.	Mouse Pad	70

**127 students from class IV to IX were administered with the Self- Administered Questionnaire (SAQ) survey** (quantitative).

#### Key findings:

##### Impact of class using wacom, acoustic rooms and other COVID-19 period activities

**SBI Card had provided support for the class using wacom, acoustic rooms, provision of notebooks & stationary items and reimbursement of data packs for internet usage to attend the classes.** As per the support provided 2 acoustic partitions have been created along with equipping the 23 classrooms and 43 teachers with digital aids. The classrooms were equipped with Portable floor podium stand – height adjustable steady standing and office guest desk chair with study chair.

- It was highlighted by the students that **before the SBI Card support**, 62% of the students (n=127) faced difficulty in attending online classes during the COVID-19 period. It was reported by 74% of the students (n=127) that they had received data pack reimbursement from SBI Card.
- The students stated that the **data pack reimbursement was a boon** to them during COVID-19 as it **enabled (59%) and encouraged (32%)** them to attend the classes. The students also highlighted that **without the support they would have not been able to attend the classes which would have affected their learning levels.**
- It was reported by 96% of the students (n=127) that they were aware of wacom being used by teachers for taking sessions. The students further informed that the **concepts taught were easily understood to them as it was not monotonous like just a presentation, video, or a monologue.** It was highlighted by 70% of the students (n=127) that **classes taught using wacom help in better understanding of the course topics**, 54% stated that it has led to an **increase in participation in class.**
- The teachers informed that class using wacom were a crucial support for them especially during COVID-19. **Before the SBI Card support**, they were conducting online classes which had lot of noise as the students were taking classes from home, they were using traditional ways to deliver the classes using presentation (ppt), video or monologues which **did not engage students much and** due to issues like children asking queries together without raising hands first **was hampering the learning levels, attendance, and participation.**
- The teachers and Lotus Petal Charitable Foundation team informed that the class using wacom are being used to provide sessions in different government, NGO, and small private affordable academic institutions which lack qualified teachers. As of the assessment duration, currently the class using wacom serve 24 academic institutions having a coverage of 1630 students (as informed by the LPF team).

<sup>5</sup> Hybrid model of schooling is a blend of traditional in school learning and online learning for imparting quality education.

<sup>6</sup> The school's name is Lotus Petal Foundation acronym (LPF), while implementation partner name is Lotus petal Charitable Foundation

### Continuation of the school facilities

The **opex support provided by SBI Card included teachers' salary, training & capacity building, rent and school supplies from February 2021 to May 2022**, which had **allowed students to continue their education in an uninterrupted manner** during the COVID-19 period and beyond.

- The students reported that continuous access of the school facilities helped them in increasing participation in classes, hybrid Extra-Curricular Activities (ECA) like interhouse competitions (painting, science, mime act, communication math, shorty story, etc.), cultural & festival celebrations, etc. along with improving academic performance.
- The students have highlighted that **during the project period there was no halt in their classes (due to hybrid model of schooling) which ensured that there was no disruption in their education. This was possible due to the support provided by SBI Card.** The training & capacity building of the teachers, rent and school supplies have enabled the students to access the facilities provided by the LPF school in a seamless and continuous manner.
- Students informed that they took part in various hybrid extracurricular activities available in school like different clubs, arts & theatre, intra school competitions, festival/ annual celebrations & competitions, etc. These were possible due to the continued support of school OPEX costs. However, the students stated that there can be tie-up/ partnership with other nearby schools for inter school competitions and exposure visits.

### Impact of health checkups and counselling support

**SBI Card has supported the school with Counselling activities via online workshops** with certified counsellors employed by Lotus Petal **to assist the learning process.** SBI Card support also had component of checking the health parameters of the students when present physically in school. During the interaction, it was highlighted by the SBI Card team that COVID-19 was a challenging time for everyone especially the students. The **students were dealing with loss of livelihood of parents, loss of parents, anxiety about the situation, mobility restrictions**, etc. Hence, SBI Card **envisaged component of counselling** for the students for their **general health & well-being along with minimising the loss in learning levels.**

- It was reported by majority (73%) of the students (n=127) that they received general healthcare support, 61% students received checkups from the medical camps conducted in the school. Some of the students also informed that the school conducted blood test to check for any anomalies. The students informed that during COVID-19 period, their temperature and Spo2 levels were recorded whenever they were physically present in the school.
- It was highlighted by **79%** of the students (n=127) that the **medical support has led to better overall health** while 48% stated that the medical support provided them the required support in time of need. The students and teachers informed that the school have special educator and counsellor to cater to the mental and emotional well-being of the students.
- It was reported by 100% students (n=127) that they received mental health and well-being counselling from the school while 50% of the students highlighted that their parents also got the counselling from the school. The **students highlighted that they received counselling sessions about career counselling, life skill sessions, parents counselling, career & psychological counselling** to make them aware about varied career path and help them take right decisions in their day-to-day life.

### Impact of teacher support, e-volunteering workshops and PTMs

**SBI Card had also supported for conducting Parents Teacher Meeting (PTM) online and e-volunteering workshops** for the students to mainstream and develop their personality with the communication skills. The PTMs and e-volunteering activities were conducted during the COVID-19 period, and it was done exclusively via online medium to stop the COVID-19 spread and maintain the safety & all precautions like other schools (and educational institutions pan India) during the COVID-19 pandemic. The students, teachers and Lotus Petal Charitable Foundation team informed that in the academic year 2021-2022 **17 PTMs and e-volunteering workshops were conducted** by the school **to help students on topics like MS office, time management**, etc. which have led to **improvement in areas other than academics for overall growth and learning** of the students.

- **89% students (n=127) agreed that they had seen improvement in their academic performance post joining the LPF school.** 9% stated don't know/ can't say as some of them had joined recently from state boards and were still in the adapting stage.
- During the interaction, it was **reported by the students that there has been an average improvement of 10-15% in the learning levels.** The **average marks and passing rate during last 1-2 years of the school was reported to be 75% and 90% respectively** (as per data shared by the teachers and LPF).
- **Due to the continuous support from the teachers, 97% of the students (n=127) highlighted that they find it easy to ask queries & doubts to the teachers in front of the whole class.** During the interaction, the students opined that the teachers are supportive, and the students can freely and without any prejudice ask their doubts.

- It was highlighted by 37% of the students (n=127) that the workshops have helped them in improving communication skill followed by 24% students who informed that these workshops have provided them the opportunity to interact with new people & learn from them. The students highlighted that they were **enticed by the e-volunteering workshops as it helps them develop skills, gain knowledge, and meet different people which helps them in developing skills and knowledge other than academics.**
- It was highlighted and agreed by all the students (n=127) that the **support provided by SBI Card have led to their growth and development.** Upon probing from the students what was the **most improved aspect from the SBI Card support, 66%** of the students (n=127) highlighted that it has led to **increased learning levels, 14%** stated that it has **improved their communication skills.**

### Key Recommendations:

- The students highlighted that class using wacom help in better understanding of the course topics and has led to an increase in participation in class. However, the teachers may also use class using wacom to provide additional support to the students who are comparatively weaker in studies enabling them to bring at par with rest of the class. To use this facility, the students will not have to stay beyond the school timings, saving their time and will lead to efficient usage of the wacom.

## PROJECT 2: HOME BASED MANAGEMENT OF COVID-19 (DOCTORS FOR YOU)

In comparison to the first and second wave, the symptoms during the third wave was mild in nature. Therefore, the concept of home-based care management was encouraged by the health department. The department had the strategy and infrastructure identified already, the need of an implementation partner and funding was realised. SBI Card initiated the project of providing Home Care to asymptomatic and mild symptomatic patients of COVID-19 with Doctors for You (DFY) as an implementing agency. Under this project home care kits, medicines (standard set of medicines given by the Chief Medical Officer's i.e., CMO office including additional set of medicines for co-morbidity cases, consumables were provided along with human resources and transportation cost with the target to conduct home visits and distributing medical kits to **15,000 beneficiaries** each. Apart from these, the project also had the component of call center support for incoming and outbound calls.

### Key findings:

#### Disaster response and emergency preparedness (Partner Identification)

- SBI Card's support through this project **ensured reaching out to 11,945 COVID-19 positive patients** with medical kits and counselling of approximately 40,449 persons telephonically. Due to decline in number of cases from the month of February and March 2022, **the leftover kits were donated to the district health office**, as reported by the DFY and SBI Card team during interactions.
- The Dy. CMO further added that with the timely support of SBI Card funding and DFY team's effective planning and procurement, the aid was able to **reach the patients within a week** of commencement of the programme. This enabled the district administration to **tackle the rising cases** of COVID-19 patients.
- The district health department coordinated between the SBI Card and DFY team for execution of the project. The SBI Card team engaged DFY who had the **trained field staff with COVID-19 response Standard Operating Procedures (SOPs)** and therefore were able to initiate the programme within a weeks' time and respond to the disaster adequately.

#### Reaching effectively through technology-based intervention

- As highlighted by the DFY programme team, it was emphasised that the administration had technological intervention in place but **due to lack of technical expertise** and due to **limited manpower** in the field during COVID-19 wave I & II, they had to **rely on manual practices** as there was **no scope of experimentation** at that time.
- With SBI Card's timely funding and support, **the health department could utilise the manpower provided by DFY for the deployment of GC3App during the Wave III.** This application with its monitoring and additional layer of case wise data mapping of the COVID-19 positive cases **helped the district administration to effectively monitor** the progress at the field level.
- The application provided interfaces both for the administration to monitor and for the public to use and connect with any related medical services such as call centre, hospital support, ambulance support, etc. This interface **helped in preparing and re-iterate the course of action.**
- Apart from the GC3App, the district administration also had an **automated tele calling system** in place. With SBI Card supporting the operational costs, project was able to **deploy 10 tele callers** who were taking the in-bound **calls coming in from the community, handling the queries, further guiding them based on nature of the ask.** They were also trained to make out-bound calls to all the COVID-19 positive patients, as and when their data was uploaded from CO-WIN application to the GC3App.



In this way, **the district administration was able to cater even the smaller queries of the community on real time basis**, which in turn helped the beneficiaries to take informed decisions.

### Home-based care management of COVID-19

- SBI Card with the motive to augment the health care systems capacity in management of COVID-19 through **home care for asymptomatic and mild symptomatic patients and thereby reducing hospital admissions** acted as a lifeguard for the Gurugram administration during the project duration.
- The team of doctors helped to address the stigma of the community with knowledgeable and informed insights. This also **developed a sense of reliability among the community members to get correct information from the doctors directly** and at the same time addressing all the fears, rumors in the field.
- There were **12 field teams deployed** under this funding by SBI Card, which comprises of Doctors, Nurses, Nursing orderly who were working both in day and night shifts to cater the entire Gurugram district covering **15 Urban Primary Health Centers (UPHCs) and 8 Primary Health Centers (PHCs) distributed across 5 zones** (as per the geographical distribution used by the district health department).
- **This free of cost quality health care, available at patient's doorstep service with multiple follow-ups and 24/7 available toll-free teleconsultation COVID-19 care resulted in ensuring zero mortality** (as per the interaction with DFY) **during the SBI Card support** period among the group of patients catered to during the period.

### Provisioning of medical kits

- The medical kit **support was provided to all the 11,945 COVID-19 positive patients visited**. The medical kit comprised of oximeter, digital thermometer, face masks, sanitiser and essential medicines to cope with the infection.
- The medicines were handed over to the patients post assessing their respective vitals. This approach was proven to be effective, as the field teams were not just handing over general medicines to the patients, but instead **customised set of dosage were prescribed by the doctor** post assessing the vitals of the beneficiaries at their doorstep.
- This **customised approach** proved beneficial for the patients to **ensure higher recovery rate**. The risk of going out and spreading infection to family members and in the community was also curbed to an extent by providing all the required equipment's in the medical kit itself.
- The data gathered from daily monitoring of their vitals helped the patients in making informed decisions instead of acting based on instincts.

### Generating awareness and addressing the Stigma

- Availability of doctors at the ground level, also proved to be a successful model as it helped in reducing the load to an extent from the hospitals and **addressing the stigma around COVID-19**. Dy. CMO and the Programme Manager of the DFY field teams reported during the interactions that the general perception was the fear of death among the people post positive test results. Therefore, **counseling from a certified medical practitioner addressed this fear and in turn helped in reducing the load from the testing centers and hospitals avoiding multiple testing**.
- The DFY team reported that the district administration through the GC3App also **organised online webinars** for the community by inviting health experts and provided live streaming sessions for generating awareness. These sessions served as a platform where both the community and the administration can come in together and have **live discussion** on the current situation.
- The doctors from the field team also reported that the one-to-one interactions helped in updating and changing the knowledge, attitude, and practices of the community. The community understood the importance of social distancing and started bringing in basic hygiene practices in daily routine.

### Key Recommendations:

- One of the major aspects of the intervention was to address the stigma around COVID-19, which the teams (Central & Field teams) ensured by interacting with the community using online webinar sessions and on one-to-one basis in the households they visited. However, apart from the handbag (which included the home COVID-19 care kit) with instructions to curb the spread of COVID-19, use of print media such as pamphlets, leaflets, brochures, etc. in alignment with MoHFW available IEC materials could also be leveraged for the ease of the beneficiaries to refer, recall and further disseminate the learnings.

### PROJECT 3: SUPPORT RESCUE FOR 400+ ABANDONED, DESTITUTE & HOMELESS ELDERLY ACROSS DELHI/NCR AND FOOD, MEDICAL CARE, AND RECREATIONAL ACTIVITIES FOR 200+ UNIQUELY IDENTIFIED ELDERLY BENEFICIARIES AT SHEOWS FACILITIES IN DELHI AND GARHMUKHTESHWAR, UTTAR PRADESH (SHEOWS)

Saint Hardy Educational and Orphans Welfare Society (SHEOWS) implemented a year-long project to rescue approximately 360 destitute elderly people and provide aid and relief in the form of food, medical care, and recreational activities to 200 beneficiaries. The beneficiaries had been placed in their care homes in Delhi-NCR and Garhmukhteshwar (Uttar Pradesh), with an aim to enhance their health and overall well-being. The project activities included conducting rescue operations for abandoned elderly across Delhi/NCR, providing safe and secure environment with nutritious food, clothing, shelter, and basic daily needs for elderly residents. Periodic checkups, regular physiotherapy treatment and daily administering of medicines for the elderly residents was also ensured along with organising recreational activities, celebration of festivals, special events, and so on. project was implemented in Delhi-NCR and Garhmukhteshwar sponsored by SBI Card in improving the quality of life of the elderly beneficiaries rescued.

#### Key findings:

##### Rescue of the abandoned and destitute elderly

- SBI Card contributed towards the rescue costs which include the cost of maintenance of the vehicle, fuel cost and materials to provide immediate, on-site care to the beneficiaries. As per the MoU, SBI Card had committed to provide support to the rescue of 360 elderly (90 in every quarter) in the year under assessment. However, as only on-call rescues were being conducted due to the COVID-19 pandemic, **277 elderlies** were rescued during the assessment year.
- The rescue operations have been impactful in **saving the vulnerable elderly from unsafe environments** which pose a risk to their health and overall safety. Some elderlies have been saved from life threatening conditions as well. As a result of the rescue conducted, **some elderly also got a chance to be reunited with their families**. The rescued **elderly's quality of life has been improved** through provision of a **dignified standard of living, a safe residential environment, regular meals, essential medical care, and other elderly care services**.

##### Medical Care of beneficiaries

- Medicinal support and general health check-ups were supported for 200 beneficiaries by SBI Card. The beneficiaries suffered from **critical ailments like neurological disorders, paralysis, heart disease, liver disease, kidney disease, muggets, etc**. Catering to the healthcare needs and ensuring timely and quality medical treatment of the beneficiaries becomes necessary to save lives.
- The requirement of medicines related to neurological disorders was very high as most of the beneficiaries consume these medicines. The rescued elderly's improvement in medical condition was noted by the **improvement in vital signs like temperature, pulse rate, respiration rate, blood pressure, etc**.
- The year-long medicinal support provided by SBI Card has resulted in **saving lives of critical beneficiaries through personalised care, recuperating beneficiaries' physical and mental health, relieving them from acute symptoms of life-threatening ailments**.
- The medicines provided have also helped in **managing age-related mental conditions such as dementia and in slowing down cognitive decline and addressing associated issues such as depression, sleep disturbances, etc** in the beneficiaries.
- A total of 2,400 physiotherapy sessions had also been supported for 200 beneficiaries. These **sessions have been impactful in relieving pain and inflammation and managing age-related orthopedic issues** such as issues related to **mobility, stiffness, joint pain, etc**.

##### Nutritional support to beneficiaries

- The beneficiaries supported were not only a vulnerable group but also a high-risk group in terms of health and age-related conditions. Most of the beneficiaries were rescued in a **frail state of health** but required to take strong doses of medication. A **balanced and healthy dietary intake** became an indispensable requirement of this group to restore health and recuperate from the high-risk ailments.
- SBI Card had provided funds to ensure nutritional support to a dedicated set of beneficiaries under this component. As reported, **a total of 2,16,000 meals were served** during the year under assessment. 200 beneficiaries were served 3 meals a day every month (30 days' period). Hence, 18000 meals were served every month.
- The nutrition provided positively impacted the health of the beneficiaries by **maintaining normal body function and preventing or mitigating the dysfunction induced** by internal or external factors. A balanced diet also helped the beneficiaries in **countering nutritional deficiencies**. Proper nutrition has enabled in **maintaining brain function in the beneficiaries through controlling neuroinflammation and reducing the impact of long-term stress** on their physical and mental health.

## Recreational Activities

- As per the project closure report provided by the implementation partner, **10 events were organised** which included **festival celebrations, painting sessions, singing, and dancing activities, bhajan sessions, movie sessions, yoga, ball related games, etc.** All the sessions were organised in the Garhmukteshwar centre.
- These recreational events have been impactful in building a **social capital** within the shelter home resulting in an active social life for the beneficiaries. They have played a vital role in managing the **mental and emotional well-being of the beneficiaries** by helping them to **mitigate the symptoms of depression, anxiety, and other mental health conditions.** Inclining elderly to activities like painting, singing, etc. has given them a motivation and boost to **rekindle their interest in hobbies, hence, promoting active ageing.**

## Software for Digitisation of Records

- For better management and keeping updates the use of web-based MIS software was realised for efficient record keeping. Hence, support for a digitisation software was sought from SBI Card. However, use of software was opted as a pilot for 6 months as it was based on a limited time subscription-based model. Considering the limitation attached with the subscription-based model, implementation partner translated the best practices from the software to their existing record management methods using MS Excel. As a result, efficiency in data management was observed and unique IDs were allotted to the beneficiaries of SBI Card which improved monitoring of the beneficiaries and the services provided to them.

## Key recommendations:

- The staff at all levels are well-versed in their roles and have a clear understanding of their tasks. However, to aid the staff members and make them better aware about the SOPs devised at the organisational level, **IECs (print/digital/audio-visual) on geriatric care as well as on some crucial functions like rescue, medical care essentials, generic diet charts,** etc. can be created and displayed in the premises of Delhi and Garhmukteshwar centres further enable the staff members in carrying out their duties effectively.

## PROJECT 4: TO PROVIDE SUPPORT WITH CRITICAL MEDICAL EQUIPMENT FOR CHILD HEART CARE IN SRI SATHYA SAI SANJEEVANI HOSPITAL AT HARYANA (SRI SATHYA SAI HEALTH AND EDUCATION TRUST)

In India, it is estimated that **more than 2,00,000 children are born every year with congenital heart disease (CHD)** with around 1/5<sup>th</sup> of them having serious CHD which requires treatment within the first year of life<sup>7</sup>. There are various challenges to pediatric cardiac care like financial constraints, health-seeking behavior of community, and lack of awareness especially to beneficiaries who are vulnerable and marginalised. The economically backward families either give up or end up in huge debts. Additionally, the government hospitals also have prolonged waiting lists ranging from months to years. Hence, to bridge the gap, Sri Sathya Sai Sanjeevani Hospital has taken up the initiative to treat these children who have limited to no access to quality healthcare totally free of cost. The project was initiated by SBI Card in collaboration with **Sri Sathya Sai Health and Education Trust (implementing partner) in Baghola, Palwal district, Haryana.** The main objective of the project was to expand the Intensive Care Unit (ICU) facility in Sai Trust Hospital to address the long waiting line of patients by purchasing new advance equipment that will be beneficial in treating these ill children.

## Key findings:

### Access to good quality & free of cost healthcare

- During the interactions with Sri Sathya Sai Trust and SBI Card team, it was highlighted that the equipment support was provided in this hospital due to its **strategic location and the unmet need for quality & affordable CHD healthcare.** Though, some healthcare facilities were available in the vicinity, they were not sufficient to meet the needs of the patients or not affordable by the beneficiaries. The trust hospital benefitted the community by **providing access, free of cost and quality CHD care to the patients.**
- The equipment support in the hospital has led to **increased capacity to treat and accommodate a greater number** of patients and ensured the **timely administration of medical treatment** to the CHD patients. The patients could **access good quality and free of cost** CHD care which was difficult to obtain specially for middle- and low-income group who were unable to afford high-cost intensive treatments from other private healthcare institutions.
- The quality care provided free of cost **saved the lives of the critical CHD** patients (309 patients during the project duration, Dec 2021 to June 2022) which **otherwise** would have costed higher. As informed by the doctors, nurses, and management staff that the **treatment here is free for the beneficiaries.** However, it costs them an average of **INR 1.5 Lakh for the consultation,**

<sup>7</sup> Source: <https://www.indianpediatrics.net/dec2018/dec-1075-1082.htm> (As retrieved on 22 October 2023)

**surgery and post operative care of 1 CHD beneficiary** staying with 2 guardians for a week with them. They further added that **the same treatment would cost a patient a minimum amount of INR 4-5 Lakhs** in any **other private institution**.

- As highlighted by the trust team and the management, if the support by SBI Card would have not been provided, then there would have been various implications like increase in patient waitlist, leading to decrease in patient's quality of life, expansion of Operation Theatre (OT) & ICU would not have been possible, and they would have to reach out to more donors in order to obtain the funding, which is a time consuming process.

### Reducing CHD patient load on other hospitals

- During the interaction, the **parents reported their respective struggles with respect to the diagnosis** and decision-making process. Considering, the niche nature of treatment, beneficiary families emphasised on the **huge costs involved in treatment/ care, the prolonged waiting period of up to 4 to 5 years for the surgery** date in government hospitals (as informed by the parents), followed by no progress in the patient's health, etc. motivated them to reach out for alternatives.
- Some of the beneficiaries also informed that they **were getting treatment from private institutions**, but the patient was not getting better, and it was costing them highly which they could not afford. They further informed that it **resulted in degradation of their financial situation, loss of livelihood, mental health issues & stress** and eventually they had to sell their assets, get loans, etc. and now they are getting quality treatment totally free of cost.

### Expansion of OT & ICU

- The equipment support provided by SBI Card **helped in strengthening the infrastructure & capacity of Sri Sathya Sai Sanjeevani Hospital**. The equipment support has **enabled the hospital to increase functional beds from 16 to 26 and expansion of OT & ICU**.
- All the equipment were reported (by the doctors, nurses and management staff) to be of advanced technology, **best quality, functional with equipment warranty of 3 years** and is currently in **usage and can be used for a longer period**.
- As informed by the Sri Sathya Sai team and management, the hospital has reached out to ~1,900 beneficiaries through surgery and ~18,000 through OPD in a span of 1 year.
- **Before the equipment** installation & expansion of OT & ICU (between **April 2020 to March 2021**), 1,066 surgeries were conducted (**average 89 surgeries per month**) which has increased to 1,857 surgeries (**average 155 surgeries per month**) **post the SBI Card support** between (**April 2022 to March 2023**).

### Improvement in condition of the beneficiaries and support for parents/ guardians

- All the beneficiaries stated that the hospital had sufficient skilled manpower (doctors, nurses) and equipment to cater to the patient & the caregiver requirements. The caregivers stated that the hospital always **met their needs and even went beyond in making interpersonal connection** with the patient.
- The staff called the patient fondly with personal pronouns like son, daughter, etc. and **provided companionship, emotional support & counselling to the parents and the caregivers**. Hence, they felt respected, cared for, and encouraged to communicate actively & openly due to the hospitality. The support helped the beneficiaries feel a **sense of social bonding, belongingness and homeliness** which resulted in their **improved mental state**.
- They all highlighted that **they found counselling helpful** as it helped them **answer their questions, gave them more reassurance, helped in taking better care of the child** which ultimately led to the child **having a healthy and happy life**.

### Key recommendations:

- The infrastructure support provided by SBI Card enabled expansion of OT & ICU which helped the institute to address healthcare needs of the community. However, due to increase in footfall (as informed by the doctors, nurses and management staff), such equipment support could be given to other similar health facilities where there is not only the dearth of such specialised and niche intervention to cater the high patient load but also supports the institutional and system strengthening.
- During the discussion with the doctors, nurses, management staff and Sri Satya Sai Trust team it was revealed that the equipment support provided by SBI Card have standard warranty of three years by the manufacturer. However, it was suggested that for costly and critical equipment like heart lung machine, ventilators, cardiac patient monitor, etc. there can be provision of extended warranty which will minimise the disruption (in case of repair & maintenance requirement for the equipment) in the hospital services leading to high waiting list and increase in patient load.

## PROJECT 5: ENABLING LIVES THROUGH MOBILITY (ROUND TABLE INDIA TRUST)

Persons with locomotor disability often face difficulty in accessing spaces due to lack and unaffordability of advanced mobility options. SBI Card funded the provision of customisable, motorised wheelchair-cum-scooter to 154 persons with locomotor disability. The project supported by SBI Card has contributed towards **empowering persons with locomotor disability** to facilitate their mobility. It was envisioned with an aim to make the target group **independent** in terms of **accessibility, mobility, having a dignified standard of living and earning a living** for themselves as well as their families. The beneficiaries supported under this project belong to Economically Weaker Section (EWS) and lower middle class income category.<sup>8</sup>

The project was implemented by Round Table India Trust (RTIT) and NeoMotion was the vendor for the customised wheelchair-cum-scooter. The project was aimed at making the solution accessible to those who could not afford it, enhance their mobility and well-being and boost their confidence.

### Key findings:

#### Beneficiary satisfaction on Product andw Service Delivery

- Most beneficiaries provided satisfactory feedback to their overall experience with NeoMotion in terms of both product quality and service delivery.
- The beneficiaries (73%) stated that the product customisation experience was hassle free as they had to visit only once for their clinical assessment and measurements for the wheelchair-cum-scooter.
- Those beneficiaries (27%) who could not physically visit had the option to get their assessment done online in a single 30-minute-long session and provide their measurements.
- During the interactions, 93% beneficiaries reported that the device received was customised as per their needs while 7% beneficiaries shared that their device needed corrections when they first received it which were eventually fixed by contacting NeoMotion.
- 70% of the beneficiaries rated the device as excellent in quality, 25% rated the device as Good, 4% gave the device an Average rating while 1% rated the device as poor due to wrong device customisation and issues with the delivery of the replacement shipment.
- 49% of the beneficiaries faced issues with the battery or battery charger of the device. This was due to the device being used to a much greater extent than anticipated at the time of product design.

#### Impact on mobility of the beneficiaries

- The compact design and easy usability of the wheelchair-cum-scooter by the beneficiaries enhanced their confidence and made them more independent in terms of mobility.
- Access to the wheelchair-cum-scooter provided the beneficiaries with the opportunity for socialisation, psychosocial well-being and enhancement in quality of life.

#### Improved confidence of the beneficiaries

- Using the device has enabled the beneficiaries to challenge attitudinal barriers as they have become less dependent on caregivers.

#### Improved avenues of beneficiaries' livelihood and income generation

- 54% of the shared that they had used their wheelchair-cum-scooter for income generation.
- Out of the these 54% beneficiaries using the locomotive solution for **income generation**, 70% of the beneficiaries reported an increased in their income post use of the wheelchair-cum-scooter.
- Out of these 70% of the beneficiaries whose income enhanced, 82% reported that they witnessed an enhancement of upto INR 10,000, 11% witnessed an enhancement between INR 10,000- 15,000 while 7% of the beneficiaries reported increase in their income to INR 15,000 and above.

### KEY RECOMMENDATIONS:

- The project could further be extended to reach out to those who do not have any other aid or are not a beneficiary of any other scheme / corporates / NGOs. The scale of the intervention could be further increased to cater to a greater number of beneficiaries in uncovered geographies in the country.

<sup>8</sup> Source: Project closure report and Agreement signed between SBI Card and RTIT

## PROJECT 6: SKILL DEVELOPMENT OF 500+ YOUTH IN COVID-19 JOB ROLE (HEALTH SECTOR SKILL COUNCIL)

At the onset of second wave of COVID-19 pandemic in March 2021, absence of a proficient workforce created a logistical problem in health infrastructure. The efforts to create a skilled workforce to manage COVID-19 was of prime importance for the health sector at that time.

The efforts to train candidates in the healthcare sector to manage COVID-19 were of prime importance and due to higher conversion rate of COVID-19 positive patients there was a requirement for skilled COVID-19 workers in India. Hence, the Ministry of Skill Development and Entrepreneurship (MSDE) designed a programme to create a pool of trained/skilled COVID-19 warriors. This programme is called the Customised Crash Course Programme for COVID-19 Warriors (CCCP for CW), and it was implemented under the Pradhan Mantri Kaushal Vikas Yojana 3.0 (PMKVY 3.0).

The programme had two components: classroom training for 1 month followed by 3 months of On-the-job training (OJT). The programme was expected to create a pool of skilled COVID-19 warriors who can augment the availability of allied healthcare professionals in the country and help in coping with the challenges posed by the COVID-19 pandemic.

SBI Card and Payment Services Limited (SBI Card) initiated the project in alignment with the government initiative and contributed towards achieving the larger goal. The programme under evaluation by SBI Card covered four customised job roles: Basic Care Support, Advanced Care Support, Emergency Care Support and Sample Collection Support. The selection of these four courses was based on the demand from the hospitals and clinics within Delhi and Gurgaon (Haryana).

SBI Card supported Health Sector Skill Council (HSSC) to initiate the project which was intended to train 500 candidates in residential mode on four COVID-19 frontline worker job roles. To implement this project SBI Card signed a Memorandum of Understanding (MoU) with HSSC.

### Key findings:

#### CREATING INCOME GENERATION & EMPLOYMENT OPPORTUNITIES FOR YOUTH DURING THE TIME COVID-19

##### Reaching out to the beneficiaries

Mobilisation activities were conducted by the training partners of HSSC to promote the project and invite applications from the potential trainees. Respondents were probed on sources of information about the course. 54% reported that they came to know about the training programmes through the Newspaper/TV /radio/internet. Further, 53% of the respondents identified the programmes through campaigns by HSSC or training institute team.

##### Effectiveness of the training programmes

- 89% of the respondents reported that they did not have any income-generating activities before the enrolment to this programme.
- 77% of the respondents reported that they joined the institute to get better placement, and
- 44% stated good faculty and infrastructure were the key aspects in driving them to join the training.

##### Experience with the 3 months OJT

42% of them reported to have an excellent experience. All the respondents (100%) reported that they used to get guidance and feedback on both the course curriculum and the training from the employers and training facility for their continuous improvement and betterment to build a better understanding. Guidance from trainers and HSSC team was focused on the following aspects i.e., behaviour and handling of patients and samples.

##### Rating on learning material and various aspects of the programmes

- 100% of the respondents were satisfied with all the facilities and provided the maximum rating.
- 100% of the students have reported that the course content contains examples and references that I can directly use in the job, learning materials were well-designed and simple to follow, overall, the course was good use for my career etc.

##### Creating and opportunity for income generation

The students who were placed, all of them are currently involved in income generating activities. Further, when enquired about salary it was reported that the average monthly salary is around INR 10,000 which was aligned with their expectation.

### Economic empowerment of the trainees

Economic empowerment, employability, improvement in the quality of life were some of the primary outcomes of the programme.

- 72% respondents have reported that they are now financially independent. When probed further, the respondents stated that their access to health care services have increased post completion of the training programme as they have better understanding of the sector and more effective way of approaching the problems.
- 59% of the respondents have reported that they have started saving / investments from their income. Trainees were also asked about consumer durables that they have bought for themselves / family members.

### Building a larger pool of healthcare workers

The lack of skillful healthcare workers during the period of COVID-19 in India was a significant issue that affected in providing healthcare services in the country. Furthermore, they reported that the intervention by SBI Card in alignment with the Government intervention has helped the employers, hospitals and clinics with skillful resources that has fulfilled the gap in catering to the patients' need like support in daily care, support in home care for elderly people, support to nurses, sample collection for COVID-19 test, Blood test, attending duties in nearby isolation centres which were operated by the employers, etc.

However, after the urgency in COVID-19 cases have reduced due to the introduction of the vaccines. Majority of them are still continuously supporting the healthcare sector beyond COVID-19 in their respective ways like blood collection, attending to patients' regular needs, supporting pregnant women after birth, transporting patients, reporting observations of the patient to nursing supervisor, assisting patients in daily living, etc. (as reported by employers)

#### Key recommendations:

- The programme was highly relevant and effective in creating livelihood opportunities for youth and building a larger pool of healthcare workers. However, the employers have reported that the training could be designed for longer duration (6 months) in future as this would help the trainees to grab knowledge to the fullest and the same can be helpful for them during the time of employment. Additionally, the trainees have also highlighted the interest for more career opportunities through certification courses in the similar field. Hence, SBI Card CSR team can structure few advance courses for these already trained and placed candidates for creating future employment opportunities within the similar field.

### PROJECT 7- TO PROVIDE CRITICAL MEDICAL EQUIPMENT FOR THE 40 BEDDED MOTHER AND CHILD HOSPITAL, WHICH WILL HELP IN ADDRESSING THE MATERNAL AND CHILD MORTALITY AND MORBIDITY (SRI SATHYA SAI HEALTH AND EDUCATION TRUST)

There are many services and schemes available to ensure access to maternal and child health services in India. However, many women, especially in the remote regions still opt for home births instead of institutionalised deliveries. The primary reasons behind not opting for institutional delivery could be financial constraints, lack of proper transportation facilities, non-accessibility of healthcare institutions and not getting permission from family members and so on. The project supported by SBI Card supported purchase of medical equipments, medical furniture, non-medical furniture, IT infrastructure, etc. for running of the 40-bedded Sri Sathya Sai Sanjeevani Mother and Child Hospital in Palwal, Haryana. This was done with the objective to establish quality healthcare facility in the region, reduce maternal, neonatal, and newborn mortality and improve access to essential medical services<sup>9</sup>.

#### Key findings:

##### Provision of quality healthcare services to meet critical requirements

- The mother and child hospital has been equipped with **state-of-the-art medical equipments** such as ventilators, ultrasound machines with probes, multipara monitors, ECG machines, NST machines, etc. to provide quality healthcare. This has enabled the beneficiaries to avail quality treatment, early diagnosis in case of any risks or complications during pregnancy, and timely treatment for mother and child post-delivery in case of any complications.
- The centre is equipped to offer a range of **diversified tests and check-ups** related to maternal and child health due to the equipments procured as part of the project.
- Apart from that, the equipments help the medical staff perform key functions like keeping a close check on vital signs of patients, act in time to respond to the health needs of beneficiaries and timely treat critical cases. Apart from surgical equipments, machines have also been procured to ensure **proper sterilisation of tools** used during medical procedures to prevent infections.

<sup>9</sup>Source: Agreement signed between SBI Cards and Payment Services Limited and Sri Sathya Sai Health and Education Trust

- The **chargeless services** provided because of the equipment availability have made it possible for the beneficiaries to improve chances of a birth with less complications and safe delivery. This setup supports in managing birth-related complications and minimising the risk on the mother's and child safety.
- There is a possibility of **decreased medical expenditure** on treatment of the mother or child in the years following birth; **decreased risk** of children developing chronic health conditions or any developmental disorders; early recuperation and recovery of mother post-delivery; decreased risk of post-partum mental health issues in mothers, etc.
- Since the inauguration of the MCH hospital till first week of January 2024, the mother and child hospital had **14,995 OPDs, 789 IPDs, 2498 Well Baby Clinic check-ups, 1412 Ultrasonograms, and 139 USG-fetal echos** (Source: data shared by implementing partner with PW).
- Apart from that, as on January 8, 2024, the data on deliveries at the hospital is as follows: **Total deliveries-722; Normal deliveries-360, C-section deliveries-362, Male births-369, female births-358** (Source: data shared by implementing partner with PW).

### Access to specialised, chargeless, quality maternal and child health services

- The centre caters to the **promotive, preventive, curative and rehabilitative needs** of the patients pre- and post-delivery. The centre has made access to health services easier as it is at a much lesser distance as compared to the nearest civil hospital. The travel time and transportation costs of the beneficiaries have also reduced as a result.
- The centre has enabled the beneficiaries to **develop trust in institutionalised setups** for child delivery. The beneficiaries' confidence in the healthcare system has enhanced through.
- The **mothers' trust and confidence in the medical professionals had also increased** as they got a chance to ask questions and get their doubts addressed with respect to maternal and child health.
- The private facilities available in the vicinity are quite heavy on the pocket of the economically weaker section. There has been an **enhanced access to maternal and child health services** for these populations post the inauguration of the centre where all facilities are provided free of cost.
- Through mobilisation efforts and word of mouth, people from the vicinity and even from far off villages started coming to the centre for institutionalised delivery.
- Interactions with the beneficiaries revealed that the hospital staff regularly counselled them on topics such as mother and child's nutrition, uptake of supplements, importance of breast feeding, bathing the newborn, and so on. The beneficiaries also reported to be counselled on regular post-natal checkups, timely immunisation, and family planning and welfare post the delivery.

### Reduced risk of maternal and child morbidity and mortality

- Since the inauguration of the centre, more and more people have shown interest in opting for institutionalised services to prevent risks of maternal and infant mortality arising out of choosing home deliveries. The centre provides services such as neonatal ICU, state-of-the-art OT, fetal echo, etc. which are rarely available in other facilities in the area.
- The equipments make the **centre well-suited to manage high-risk situations** in the presence of trained staff. Apart from this, the provision of specialised medical treatment facilities and adequate conditions of hygiene and sanitation at the centre further add to safer deliveries as compared to home births. The equipment's such as warmer, phototherapy unit, neonatal ICU setup, etc. are of utmost use in ensuring a safe delivery as well as providing necessary treatment in time.
- The medical staff stated that the maternal and child health hospital supported by SBI Card provides **essential obstetric care to the beneficiaries** before and after delivery like provision and administration of antibiotic, oxytocic and anticonvulsant drugs, facilities of blood transfusion, and so on.
- Antenatal interventions are also available for conditions like hypertensive disease of pregnancy, gestational diabetes, anemia, etc.
- However, for arrangement of blood, the centre is dependent on hospitals and blood banks located nearby.
- As per the implementation partner, centre reported zero maternal mortality since in inauguration of the centre till date.

### Key recommendations:

- Considering the need for such facilities to aid the existing setup and reach out to marginalised and vulnerable population with specialised services, especially in the remote areas, this project could be expanded to other strategic geographies where there is a need of MCH services.



## PROJECT 8: SBI CARD SMART POWER SCHOOLS (SBI CARD FUTURE CLASSROOM)

Improving education is essential for India's inclusive development, but due to **limited sources available many children are not able to learn as per their grade level**. Poor elementary and secondary education results are caused by several factors, including low accountability and insufficient infrastructure. **Lack of modern teaching techniques through smart education and subsequent inadequate infrastructural facilities in government schools often result in dropouts and/or low-performance levels**. Therefore, there is a demand for enhanced use of information and communication technologies (ICT) in education.<sup>10</sup> SBI Card partnered with **Yuva Unstoppable** with an aim to enhance the goal of Digital India by introducing CSR intervention in Ed tech by implementing SBI Future Classroom initiative to provide smart classrooms among schools under SBI Card Smart Power School project.

This programme under the SBI Card **Smart Power Schools project** (SBI Card Future Classroom) aimed to create a digital learning zone for teachers and students in 11 government schools in Delhi-NCR to acquire skills like critical thinking, communication, collaboration, and creativity by providing digital content for the curriculum for Science, Math, English (STEM based subjects) and other subjects of **6<sup>th</sup> to 8<sup>th</sup> grades**. To further support the schools, the programme also **engaged full time Google Certified Trainers for a period of one year to train teachers and students** to get hands on experience of the technology.<sup>11</sup>

The SBI Card support also included the following provisions<sup>12</sup>:

### The Support provided by SBI Card in each school

Activities	Details
<b>Infrastructure</b>	
Colour work in SBI Card and Google future Classrooms	Includes painting in the classroom.
Benches in SBI Card Future classroom	To improve the access to better furniture for the students in the classroom for improved teaching learning facility.
Multipurpose shade	To enable the students to eat mid-day meals, play, pray and come together on various other occasions.
<b>Equipment</b>	
Smart Classroom	Includes smart board (KYAN- Interactive multimedia device with technical tool kits inclusive of large screen display device, CPU speaker etc.)
Chromebooks	15 Chromebooks and Console including charging rack, networking router, internet.
CCTV Camera, Air conditioning and carpet	Equipment support given to all the schools

### Key findings:

#### Improved capacity of teachers in Ed-tech teaching method

Prior to the initiative, all the teachers reported that there were no such skill enhancement opportunities for them to learn and grow. Under the project, Yuva Unstoppable provided training to teachers where they have conducted sessions on how to teach the subjects using smart classroom, digital content, audio-visual aid etc. This has helped in empowering the teachers on how to use smart classroom equipment and the digital content for teaching students. This was done to capacitate the teachers in the Ed-tech teaching methods and their benefits while teaching.

Google certified trainers used to guide them in using the Smart classroom. The trainers helped the teachers in teaching 'STEM' based subjects through these smart classrooms and helped them identify the academic needs of the students. Further, the implementing partner reported that the teachers were more inclined towards the use of the smart classroom after the provision of training. 100% of the teachers have reported that after the implementation and training provided under the programme, they are more inclined towards the smart classroom teaching.

Further, all the teachers (100%) reported that the **new skill enhancement techniques** proved to be helpful for them in improving **their teaching and communication with students as well**. The initiative has not only changed the perspective of the trained teachers but also motivated other teachers to use the smart classroom. The parents further reported that after the intervention, children reported the change observed in the quality of teaching in their school, where the teachers were able to explain complex concepts in a more effective manner using the smart classroom curriculum.

<sup>10</sup> Source Data retrieved on 26<sup>th</sup> Jan 2024 Education and Technology Overview (worldbank.org)

<sup>11</sup> Source: MoU and Addendum between SBI Card and Yuva Unstoppable

<sup>12</sup> Source: MoU and Addendum between SBI Card and Yuva Unstoppable

### Improved infrastructure resulting in enhanced reach and performance of schools

The project provided several infrastructure enhancements in the schools, which led to the creation of a meaningful learning environment for both teachers and students. As a result, the attendance of the students has increased.

Parents have reported low school attendance of their children due to lack of interest in studying. They further reported that academic results of the children were affected due to the irregularities in attending school. These irregularities led to an increased gap in the child's conceptual knowledge of STEM-based subjects resulting in lower academic performance. However, teachers strongly agreed that the students have become more attentive during classes. The students' pass percentage has also increased as compared to previous records. This highlights the improved reach and performance of students as result of the intervention activities.

Further, SBI Card realised the need of a multipurpose shade where students and the teachers can collaborate beyond the studies on extra-curricular activities such as art & craft, cognitive skills etc.

### Improved learning capacity of students due to Smart classroom

The students reported that support by SBI Card has helped them in many ways by providing them the **opportunity to access the smart classroom, Chromebook etc.** This has **helped them in increasing their confidence and technical knowledge** on how to use applications like word, excel, search etc. These technical aspects of the support provided has resulted in inclination towards using Ed-tech solution in their homes as well.



100% of the students have reported that smart classroom mode is more beneficial in terms of grasping the knowledge, improving learning levels and accessing the smart classroom.

Teachers strongly agreed that the students have become more attentive during classes. The students' pass percentage has also increased as compared to previous records. This highlights the improved reach and performance of students as result of the intervention activities. However, during our interactions all the teachers highlighted that maintenance of these equipment was a significant challenge due to unavailability of annual maintenance after the project completion beyond a year.



100% have started using search, internet drives etc.



100% have started to use Word and excel sheets.



100% now know how to use the chrome books.

Parents highlighted that this intervention **has increased their children's knowledge level and exposure to the digital world.** The children's learning capacity has supported their parents in conducting **online money transactions using mobile phones** and has helped them in day-to-day chores where online payments needed to be made. Additionally, the students were also trained on how to use google drives for storing documents and using it for their project's assignments and submission. This knowledge **has benefited the parents as well in keeping soft copies of their household documents scanned and uploaded for easy access in google drive.**

### Key recommendations:

- Expanding the reach of the programme - During the assessment it was observed that the learning levels of students has shown a positive change. Hence, it is recommended that the scale of this intervention can be extended with the larger pool of government schools.
- Extension of the annual maintenance and repair – During the interaction with the teachers and the school administration it was highlighted that the equipment provided under the project needed maintenance to carry out the daily functioning for classes. There was an annual maintenance contract for specific equipment provided as part of the project. However, an extended AMC is suggested for high-end equipment.

### PROJECT 9: ENSURING SUSTAINABLE WATER SECURITY FOR RURAL COMMUNITIES THROUGH RAINWATER HARVESTING (TARUN BHARAT SANGH)

Nuh region in Haryana has a semi-arid type of climate and has been facing water crisis which significantly impacted the crop yield. Groundwater salinisation had further deteriorated the fragile ecosystem of the region due to which socio-economic condition of the communities was also being impacted.

As per the need assessment study conducted by the implementing partner (Tarun Bharat Sangh (TBS)), water levels were depleting at a faster rate in **different villages in Nuh district, Haryana.** Hence in November 2021, SBI Card funded the project for **ensuring**

**sustainable water security for rural communities through rainwater harvesting in the different project villages** with TBS. The project was envisaged with the following objectives (as per the project MoU):

- To enhance the capacity of the indigenous communities in water conservation and management.
- To ensure water security for drinking and irrigation with indigenous communities in the project area for sustainable development and livelihood generation.
- and to implement an efficient model of water consumption in agriculture with farmers.

The project supported following activities in the project villages: **construction of 20 drinking water tanks, equipping 50 farmers with sprinklers, construction of 15 rainwater harvesting structures (RWHS) and community mobilisation activities (Kisaan Jagruti Shivir for farmers, Yuva Jagruti Shivir for students, Development of theme-based awareness material and Exposure visit for farmers)** which benefitted 5,392 (including 3,270 indirect beneficiaries for RWHS)<sup>13</sup> beneficiaries across villages. **Quantitative survey** was conducted with **130 households** covering all project activities in the intervention villages and the distribution of respondents across the project activities is listed in the table given below:

### Quantitative sample size distribution as per the project activities

S. No	Activity	No. of sample covered / beneficiaries of each activity
1	Kisaan Jagruti Shivir (Farmer awareness sessions)	14
2	Exposure visit	4
3	Rainwater harvesting structures	53
4	Sprinklers	22
5	Drinking water tanks	37
<b>TOTAL</b>		<b>130</b>

### Key findings:

#### Impact of rainwater harvesting structures

SBI Card had provided support for **construction of 15 rainwater harvesting structures** under the project which covered 839 beneficiaries (directly) and 3270 beneficiaries indirectly (as per the information shared by TBS team). The TBS team informed that these **structures are simple, cost-effective, traditional and are erected at places where they can assist in maximum aquifer recharge**. The panchayat members informed that they have partnered & supported TBS and the villagers in the project interventions. Further, the sarpanch in all the project villages had been motivated and gave NOC before the commencement of the project and maintain the RWHS post SBI Card support.

- 91% of the respondents (n=53) stated less agricultural productivity, followed by scarcity of water for agricultural and domestic usage (87%) and limited area under irrigation (85%) as major challenges faced by the beneficiaries before the rainwater harvesting structures support provision. It was reported by the beneficiaries that **before the construction of rainwater harvesting structures, water** was available for **only six months for irrigation**.
- All the respondents informed that the **community has supported** in construction of rainwater harvesting structures in form of **labour, advocacy as well as safeguarding**. The implementing partner further informed that after the project closure, RWHS has been handed over to the gram panchayat for future usage and repair & maintenance involved (if any).
- Majority (83%) of the beneficiaries (n=53) stated that they have not noticed any variation in ground water level since the construction of the rainwater harvesting structures there has been very scanty rainfall in the Nuh region being drought prone area. But they understand the long-term benefits of the intervention in subsequent years with adequate rainfalls.
- It was highlighted by **85% of the beneficiaries (n=53) that they had been part of the planning process for construction of rainwater harvesting structures** in the project villages. It was informed that the **community has supported** in construction of rainwater harvesting structures in the form of **labour, advocacy as well as safeguarding**.
- Majority (87%) of the respondents (n=53) reported water storage potential has increased, followed by increased awareness on water conservation (85%) as impact of the project. The TBS team mentioned that although the ground water level has recharged by only around 3 to 4 feet, however, it has increased the **availability of water for irrigation from 6 months (before the project) to 8-9 months (post the project)**.

<sup>13</sup> As per details shared by TBS team

- The beneficiaries (n=53) reported that **before the project** they used to **cultivate average 4 times in a year**. Out of them, **38%** of the **respondents** informed that there has been **increase** in the number of times they **cultivate in a year from 4 to 6**. However, the beneficiaries have **not been able to derive the full benefits from the rainwater harvesting structures yet**. Additionally, all the beneficiaries **claimed that they are aware of the benefits of the rainwater harvesting structures once they have recharged significantly**.
- The beneficiaries reported **prevention of soil erosion, reducing possibility of flash flood, increased water storage potential, more groundwater availability, increased agricultural productivity & income, reduced migration** due to **increased groundwater level** and **increased water availability for livestock & wildlife** as the immediate (**short-term**) **benefits** of the project. They highlighted **sustainable water security for the community through rainwater harvesting, villages' growth & prosperity and restore ecology of the region** as the prolonged (**long-term**) **benefits** of the project.

### Impact of drinking water tanks

SBI Card had provided **support for construction of 20 drinking water tanks** to increase the storage capacity by 17,000 litre per tank, resulting increase in water storage capacity by 3,40,000 litres across water-stressed areas. The initiative had a **beneficiary coverage of 576 individual beneficiaries**. As informed by the TBS team, selection of beneficiaries was done in consultation with the community, with preference given to marginalised beneficiaries and those who were willing to share 25% cost of construction.

- 100% of the respondents (n=37) stated inadequate water storage capacity, followed by dependency on private water tankers (70%) as major challenges faced before the project. The beneficiaries revealed that due to **insufficient storage**, they were not able to store all the water provided by the private water tanker and there was **wastage in storing water** from the tanker.
- The beneficiaries informed that there was lack of adequate wells and handpumps in the village. Additionally, due to high groundwater salinity the water was unfit for drinking and irrigation purposes. Hence, there was **dependency on private water tankers** from nearby places to fulfill their water supplies as their primary source of water.
- Majority (81%) of the respondents (n=37) stated **no wastage in storing water** from private water tanker to the tank constructed by SBI Card, followed by **improved water storage** (76%) as impact of the project. **100%** of the **respondents** (n=37) agreed that the **drinking water tank** support have been **beneficial for them and their household**.
- **The beneficiaries also stated that they share the drinking water tank with their neighboring households (4 to 5) having average family size of 5 to 6 person who have not received the water tank support.**
- The beneficiaries mentioned that the support has been beneficial for them, and they **use the water for various purposes like irrigation, animal husbandry, etc. including drinking water**. The beneficiaries highlighted that **drinking water tank support** have led to **increase** in their **water storage capacity** from **80 litres (before the project)** to **17,000 litres (after the project)**.

### Impact of sprinklers

It was informed by TBS team that **before the project**, the **beneficiaries** were **using flood irrigation** technique for irrigating their farmlands which leads to a large quantity of water loss through evaporation and drainage (in the already water stressed region). Hence, the project had provided support for **equipping 50 farmers with 50 sprinkler systems to reduce water consumption in agriculture** and provide **technical training on effective usage** to them. The beneficiaries stated that one sprinkler system had **10 sprinklers** and **30 water pipes**. The project intervention had a beneficiary coverage of 336 beneficiaries (50 direct beneficiaries and the rest indirect beneficiaries due to sharing of sprinklers). Out of the 50 beneficiaries supported with the sprinklers in the project, 22 beneficiaries were interacted with.

- 86% of the respondents (n=22) stated low agricultural productivity, followed by limited access to irrigation (82%) as major challenges faced by them before the project. The beneficiaries reported having **average 5 acres of land**. The beneficiaries informed that **before the project**, they were **only able to irrigate 3 acres** of land due to limited irrigation access.
- Majority (95%) of the beneficiaries (n=22) reported using flood irrigation technique before the project. The beneficiaries informed that they were dependent on electricity for irrigation as majority of them used borewells for the same. It was reported by the villagers that **electricity** was **available** in the village **for 8 hours either in day or night** irrespective of the season and they had to **wake up in night in winter season to prepare for flood irrigation** which caused them **exhaustion, lack of rest & sleep** leading to the beneficiaries falling ill, catching cold, etc.
- **Majority (87%) of the respondents (n=22) reported increase in awareness on efficient irrigation, followed by increase in land area under irrigation (68%)** as impact of the project. 100% of the beneficiaries (n=22) informed that they had received technical training by the TBS team for efficient water consumption in agriculture and reported that the sprinkler irrigation is better than their previous (flood) irrigation method. Consequentially, all of them (n=22) reported to be using sprinklers for irrigation post the project support.

- The beneficiaries stated that after the project, they can irrigate entire land. Additionally, it was reported that sprinkler support **provided by SBI Card support were of superior quality and caused no issues or need of repair & maintenance**. However, some beneficiaries informed that **sprinkler system** provided is **not sufficient** for irrigating their farm in **one go due to the quantity of the sprinklers provided (currently one sprinkler system has 10 sprinklers)**. Hence, they reported reinstalling sprinkler multiple times to cover their entire farm.
- The beneficiaries reported that they were **mostly growing the same crops which they used to grow before the project** support: mustard, radish, onion, tomato, potato, brinjal, pearl millet (bajra), sorghum (jowar), cauliflower, ridge gourd. During the discussion, **few of the respondents reported to be growing wheat**. It was highlighted by the beneficiaries that the **crops grown using sprinkler system have higher production and better taste compared to flood irrigation**.
- The beneficiaries informed that flood irrigation was water, energy, and time intensive. It was reported by the beneficiaries that it took **20 hours** and approximately **901 litres** of water for one irrigation cycle **before** the project, which has reduced to **10 hours** and almost **413 litres post** the project. The beneficiaries informed that **average monthly income** has **doubled** post using sprinklers for irrigation **from INR 13,386 (before project) to INR 25,905 (post project)**.

### Impact of community mobilisation initiatives

SBI Card had provided support for community mobilisation initiatives like Kisaan Jagruti Shivar, Yuva Jagruti Shivar, training and knowledge enhancement through exposure visit and theme-based awareness material with an aim of encouraging village communities and other stakeholders to be active partners in the rainwater harvesting, water conservation activities.

#### Kisaan Jagruti Shivar

- **Two Kisaan Jagruti Shivirs** or awareness camps were organised having a **beneficiary coverage of 211 farmers** highlighting the need of rainwater harvesting and water conservation and the positive impacts it will bring to their lives.
- Majority (86%) of the beneficiaries (n=14) reported efficient water consumption for irrigation aspect was covered as part of the Kisaan Jagruti Shivar followed by importance of water conservation & rainwater harvesting (71%). The beneficiaries informed that Kisaan Jagruti Shivar was attended by the founder of TBS, District Forest Officer (DFO) and followed an interactive and dialogue-based mode of interaction. The beneficiaries further stated that topics like problems & challenges in farming were discussed and there was cross-learning between the farmers along with experience sharing by the DFO and TBS founder.
- Majority (86%) of the beneficiaries (n=14) reported less agricultural water consumption due to efficient irrigation techniques practiced by them (post the project) as the impact of the Kisaan Jagruti Shivar. It was highlighted by majority (86%) of the beneficiaries (n=14) that they **practice water conservation post the Shivar**.
- 100% of the respondents (n=14) agreed that the Kisaan Jagruti Shivar has been **beneficial for them**. As a result, **increased practice of efficient irrigation** methods (86%) followed by **improved knowledge & practice** of water conservation (64%) and **increase in awareness** about rainwater harvesting structures & its benefits (57%) were the **areas of implementation** reported by the beneficiaries (n=14) which have been **possible due to the project support**.

#### Exposure visit

An exposure visits of **two day duration** comprising of a group of **59 farmers** was organised for training and knowledge enhancement of local farmers **to exhibit the best practices of water conservation and efficient irrigation systems** and **connect them with the water & agriculture experts and researchers**.

- The beneficiaries reported that key aspects like importance of water conservation, efficient irrigation systems and understanding how groundwater is recharged were covered as part of the exposure visit by TBS. The beneficiaries also mentioned that the TBS team members **aided** them in **comprehending how groundwater is recharged** and **how a dead river can be resurrected**. As part of the exposure visit, **farmers were also taken to villages** where TBS has **collaborated with local communities** to help them **deal with water scarcity** and **encourage** them to **adopt modern agricultural practices**.
- It was reported by the beneficiaries that the **exposure visit has been beneficial** for them. As a result, **all of them practice water conservation post the exposure visit**. Hence, **increase in motivation** and **participation** in water conservation, **training & capacity building** from water and agriculture experts & researchers, **increased knowledge and practice of efficient irrigation systems** were the **areas of implementation** reported by the beneficiaries which have been **possible only by the TBS and SBI Card support**.

#### Yuva Jagruti Shivar

**Two Yuva Jagruti Shivirs** or awareness camps were organised in collaboration with the education and the forest department for three government schools in the project villages to drive the village youth towards water conservation. As informed by the TBS team, **101 students from standard VIIIth to XIIth** were a part of these awareness sessions.

- The students informed that **awareness sessions followed a predesigned curriculum and contained interactive activities** like games, lectures, movie screening, competitions, roleplays, etc. They highlighted that **TBS team explained them about the need of water conservation and the need of youth to come forward in the movement.**
- Students **were also provided exposure to the rainwater harvesting sites** where **concept of underground aquifer recharge was explained to them through a live model.** Majority of the students who participated in awareness sessions stated that these **sessions were beneficial to them and increased their awareness level to great extent regarding water conservation, their role in water conservation activities and bringing positive behavioural changes like minimum water wastage & usage.**
- Some of the students highlighted that due to the awareness sessions they had **convinced their parents to shift from inefficient irrigation practice (flood irrigation) to efficient irrigation practice (sprinklers).** Overall, the students highlighted that the awareness sessions were **participative, interactive and full of learning experience** for them, and they **suggested to have regular sessions** like these in **future** as well.

### Theme-based awareness material (wall paintings)

The TBS team informed that **642 walls were painted** as part of **theme-based awareness material** in the project villages to sensitise people on issues related to water. It was reported by the TBS team that the slogans were **written on water conservation, afforestation and smart irrigation techniques.** The TBS team further highlighted that these simple worded **slogans were written in Hindi** language and **at strategic locations to maximise their visibility** to the villagers and travellers as well so as to attract people of all age groups.

### Key recommendations:

- The beneficiaries highlighted that **sprinklers** have been **beneficial** for them as it requires **less manual intervention** compared to the **flood irrigation.** However, some beneficiaries informed that the sprinkler **system provided had 10 sprinklers** which is **not sufficient for irrigating their farm in one go.** Hence, if SBI Card supports similar nature project in future, increased number of sprinklers as per the farmers' landholding may be looked upon for maximising the impact of the project.

### PROJECT 10: FOR PROVIDING PRIMARY HEALTHCARE FACILITY TO NEEDY & UNDER PRIVILEGED PEOPLE THROUGH MOBILE MEDICAL UNIT – 'SMILE ON WHEELS'

Smile Foundation in support from SBI Card deployed Mobile Medical Units (MMU) in five of SBI Card's program areas (Agra Rural, Agra Urban (Uttar Pradesh), Delhi, Gurugram and Nuh district (Haryana)) where there is **a high concentration of SC/ST, daily wage labourers, domestic workers and low-income population** who do not have a health facility in proximity. MMUs are envisaged to meet the technical and service quality standards for a Primary health Centre through provision of a suggested package of services including Maternal Health, Neonatal and Infant Health, Child and Adolescent health, Management of Communicable Diseases & basic OPD care, management of Common Non-Communicable Diseases, Dental Care, Eye Care/ENT Care, etc. SBI Card enabled the availability of these services free of cost through MMUs, besides enabling referrals for serious cases identified. Mobile Medical Units (MMUs) under the project were deployed in the field with a fixed schedule of either visiting a location once a week (in some locations) or on fortnightly basis and against a target of serving 75,000 beneficiaries, the project was able to benefit 85,003 beneficiaries instead.

The **mixed method research design** adopted for the study included **quantitative survey of 154 beneficiaries and qualitative in-person/ virtual interactions** (In-depth interviews) with field teams (Doctor/Nurse), community mobiliser, project coordinator, Smile Foundation program team and SBI Card CSR team.

### Key findings:

#### Services provided by MMU

- SBI Card team informed on the use of **Karma Software by MMUs** for generating **unique IDs** for every new patient. The software was used to **maintain patients' details and stock management.** With the aid of an **online Management Information System (MIS),** team was able to identify patients who are due for a follow-up and those who were referred earlier.
- The available services reported by the respondents included **medicines (100%), Rapid POC tests (79%), temperature screening and ANC / PNC at 71%, Iron folic acid supplementation (IFA) (68%),** referrals in case of severe conditions (60%).
- Out of the services available in the MMUs, all of the respondents had availed medicines (100%) followed by availing the services of Rapid POC tests (42%), temperature screening (31%) and ANC/PNC follow ups by 27%. Referral services is availed only in the critical cases and as per discretion of the Medical Officer. Hence only 5% of the respondents have reported to avail the referral services.

### Reduction in out-of-pocket expenses

- MMU provided medical services at the doorstep of beneficiaries from an accredited MBBS medical officer. Patients availed MMU services in their locality on weekly basis, which resulted in zero loss in their daily wages. This in turn also helped in saving **the time as well as travel cost to nearest government / private health facility.**
- Among those who went to **private clinics, local quack doctors, or chemists**, it was reported that they needed to **incur a median cost of INR 50 on temperature screening, INR 300 on POC tests and around INR 300 when buying medicines** for all the ailments. Most of the **women respondents reported** that it would have costed them a **median cost of INR 600 for availing any ANC / PNC related consultation and support.** The beneficiaries **used the saved money in children's education** as reported by implementation partner field teams.
- **At the MMU, it was reported that the time required for consultation was very less, as depicted in figure 11, and thus there was no requirement of taking a leave from work** resulting in saving of both cost and time. Further to this, **none of the beneficiary** has reported to have **incurred any economic loss** due to availing services from MMU.

### Addressing community necessities through MMU

- **Almost all the beneficiaries** reported that MMU helped **saving time and cost, followed by providing facilities such as free medicines, free consultation, doorstep availability of services.** Additionally, the reported benefits also included **free instant POC (rapid) tests (76%), early diagnosis of medical condition (49%) and referral for severe cases (64%).** These additional three benefits further help in communicating the importance of early diagnosis, referral and timely testing which is a key part of the programme aiming at **behavioural change in the community.**
- Availability of an Auxiliary Nurse Midwife (ANM) in the MMU had also helped in mobilising the female beneficiaries for antenatal and prenatal care along with critical care of infants. **Haemoglobin and sugar tests were conducted along with regular check-ups during the period of pregnancy for expectant mothers.** Team also **sensitised the husband and the family members of various government schemes relating to delivery and girl childbirth.**

### Increased awareness on health aspects

- Beneficiaries who were able to recall awareness related activities, **95% of them reported that the content of IEC materials were easy to understand** because the team **used local dialects, simple language and graphics** to make the general public understand.
- The project ensured maximum exposure of the community towards healthy practices. The **most recalled health awareness topics among beneficiaries included hand washing (99%), nutrition (99%), ANC / PNC (89%), communicable diseases (86%) and mother child health care (86%), and menstrual hygiene (85%).**
- MMU teams engaged in Mahila Mandal meetings and spread awareness around **mother and child health, ANC / PNC care support, importance of institutional delivery, menstrual hygiene, family planning, Urinary Tract Infection (UTI),** etc. with adolescent girls and women.

### Key recommendations:

- To ensure continued availing of health services by the community, SBI Card can consider the concept of telemedicine wherever required moving forward. The existing MIS data of MMU can also be leveraged to draw inferences combined with fast exchange of patient information, timely advice, and last-mile connectivity through teleconsultation can tackle lack of healthcare access on the go.

### 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 we have used retrospective indicators for the same. The limitations are as below:

- In **Project 2 (Home Based Management of COVID-19)**, due to the nature of the study, data confidentiality of the COVID-19 positive patients was maintained. Hence, interactions with the beneficiaries were not conducted, which limited the study findings in evaluating the comprehensive impact of the intervention.
- In **Project 3 (Support rescue for 400+ abandoned, destitute & homeless elderly across Delhi/NCR and food, medical care, and recreational activities for 200+ uniquely identified elderly beneficiaries at SHEOWS facilities in Delhi and Garhmukhteshwar, Uttar Pradesh.)**, due to the medical conditions (Alzheimer, dementia) of the beneficiaries only brief interactions were possible. Hence, detailed discussion was not possible to assess on their individual areas of impact created in the lives of the beneficiaries but overall discussions with other stakeholders were carried out.

- **In Project 4 (To provide support with critical medical equipment for Child Heart Care in Sri Sathya Sai Sanjeevani Hospital at Haryana)**, the PW team interacted with most of the identified stakeholders but could not interact with primary beneficiaries of the project as they are small children (<5 years old) and have migrated to various places. Hence, in consultation with the SBI Card team and Sri Sathya Sai team, the PW team conducted interactions with the parents/guardians. Consequently, the findings of the study were based on the viewpoints of the parents/guardians and depends on the inputs of the other stakeholders.
- **In Project 5 (Enabling lives through mobility)**, the beneficiary turnout for physical interactions was low due to weather conditions in Chennai during the field visit. To reach the required sample size, the interactions were conducted physically as well as through telephonic interactions to capture the views of the beneficiaries.
- **In Project 8 (SBI Cards Smart Power Schools -SBI Card Future Classroom)**, during the time of assessment, the team faced the difficulty of reaching out to the teachers as many of them were transferred to non-intervention schools. Hence, the team was able to interact with only nine out of the twelve proposed in the initial approach.
- **As Project 10 (For providing primary healthcare facility to needy & under privileged people through Mobile medical unit – ‘Smile on Wheels’)** ended, almost all the field team members (doctor, nurse, ANM, community mobiliser) moved on to other jobs / projects. Hence, it was difficult to establish contact and interact with them. However, we were able to interact with one of the doctors, program coordinator and a community mobiliser.

The study has been conducted based on the time mentioned and agreed as period of assessment for the respective project's consultation with SBI Card and the impact assessed is for the said period only.

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 in the detailed report.



## Annexure -3 to the Board's Report

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2024

{Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of  
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To

The Members,

**SBI Cards and Payment Services Limited**

Unit 401 & 402, 4<sup>th</sup> Floor, Aggarwal Millennium  
Tower E 1, 2, 3, Netaji Subhash Place,  
Wazirpur New Delhi-110034

We have conducted the Secretarial Audit of compliance of applicable statutory provisions and 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 authorised 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 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024 ("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 Companies 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/Directions made thereunder;
  - b) Insurance Regulatory and Development Authority of India (Registration of Corporate Agent Regulations, 2015.

We have also examined compliance with the applicable clauses/ Regulations of the following:

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- (b) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that the Company has complied with the requirements pertaining to the composition of the Board of Directors, which is to be constituted as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors of the Company is duly constituted with the 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 and Listing Regulations.

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.

We further report that the notices received by the Company dated September 14, 2022 and September 28, 2022, under Regulation 52(7)/ 7A and 57(1) of Listing Regulations from BSE Limited (“BSE”) respectively had been duly responded by the Company along with the documentary evidence thereof. In view of the written representation submitted by the Company, the BSE had withdrawn the referred matter vide e-mail dated June 27, 2023 and October 12, 2023.

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.:

1. During the period under review, the Company has allotted 4,894,130 equity shares of ₹ 10/- each pursuant to exercise of options under the approved employee stock option scheme.
2. During the period under review, the Company has made allotment of 81000 Senior Non-Convertible Debentures of ₹ 1,00,000/- each and 1,275 Sub-ordinate Non-Convertible Debentures of ₹1,00,00,000/- to the selected group of investors on Private Placement basis aggregating to ₹ 2,085 crore.
3. During the period under review, the Company has redeemed its Non-Convertible Debentures aggregating to ₹ 2,150 crores.
4. 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”).

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, pertaining to right but not an obligation, of the Debenture Trustee(s) to nominate 1 (one) person as their nominee on the Board of the Company, in accordance with the applicable laws and depending on the agreement in that regard between Debenture Trustee(s) and the Company (on occurrence of the events specified in said clause). Further, the shareholders of the Company at the 25<sup>th</sup> Annual General Meeting of the Company held on August 9, 2023 by way of the special resolution, had approved the insertion of clause 33(ii)(e) in the Articles of Association of the Company.

**For Agarwal S. & Associates  
Company Secretaries**

ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 2725/2022

**CS Anjali**

Partner

ACS No. : 65330

C.P No. : 26496

UDIN: A065330F000521434

Date: June 3, 2024

Place: New Delhi

This report is to be read with our letter of even date which is annexed as “Annexure A” and forms an integral part of this report

## Annexure-A to Secretarial Audit report

To  
The Members,  
**SBI Cards and Payment Services Limited**  
Unit 401 & 402, 4<sup>th</sup> 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.

- (i) Maintenance of secretarial records is the responsibility of the management of the Company. Our Responsibility is to express an opinion on these secretarial records, based on our inspection of records produced before us for Audit.
- (ii) 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed provide a reasonable basis for our opinion.
- (iii) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- (iv) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events etc.
- (v) 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 test basis and to give our opinion whether Company has proper Board-processes and Compliance-mechanism in place or not.
- (vi) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Agarwal S. & Associates  
Company Secretaries**

ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 2725/2022

**CS Anjali**

Partner

ACS No. : 65330

C.P No. : 26496

UDIN: A065330F000521434

Date: June 3, 2024

Place: New Delhi

**Particular of Employees**  
Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for Financial Year 2023-24

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	Ms. Rashmi Mohanty	Executive Vice President & Chief Financial Officer	NA	Full Time Employee (FTE)	2.70	-	Bachelor of Engineering, Computer Science - Delhi Institute of Technology; PG Diploma in Management, Finance & Marketing - IIM, Bangalore; 52 Years	~28	21 October 22	Clix Capital
2	Mr. Girish Budhiraja	Executive Vice President & Chief Sales & Marketing Officer	NA	Full Time Employee (FTE)	2.34	9.46	B.Tech from Indian School of Mines, LLB from DU, PGDBM from IIM, Bangalore; 52 Years	29	22 October 12	American Express
3	Mr. Pradeep Singh Khurana	Executive Vice President & Chief Information and Digital Officer	NA	Full Time Employee (FTE)	2.06	3.80	<ul style="list-style-type: none"> <li>• Bachelor of Engineering (with Honors)</li> <li>• Post Graduate Diploma in Advanced Computing</li> <li>• GE Information Management Leadership Program (2 Years)</li> <li>• GE Experienced Information Management Program (1 Year); 45 Years</li> </ul>	23	1 January 12	GE Capital
4	Mr. Manish Dewan	Executive Vice President & Head - Customer Services	NA	Full Time Employee (FTE)	2.03	8.48	BE Mechanical, MBA from IIM; 56 Years	32	1 October 11	GE Capital
5	Mr. Vishal Singh	Executive Vice President & Head - Consumer Sales	NA	Full Time Employee (FTE)	1.70	6.12	PG Diploma from Institute of Integrated Learning in Management; 47 Years	24	16 November 04	ARCUS LTD.

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. Shantanu Srivastava	Executive Vice President & Chief Risk Officer	NA	Full Time Employee (FTE)	1.60	-	Post-Graduation, (Management) (XLR), Jamshedpur; Bachelor of Arts, (Economics)- Hindu College, New Delhi; 52 Years	31	21 April 23	HSBC
7	Mr. Monish Vohra	Executive Vice President & Head - Corporate Card and Billing Operations	NA	Full Time Employee (FTE)	1.54	5.18	Delhi College of Engineering, FMS Delhi; 53 Years	29	27 January 14	MetLife India Insurance Co. Ltd
8	Ms. Anu Choudhary Gupta	Executive Vice President & Head - Collections	NA	Full Time Employee (FTE)	1.49	5.30	MBA; 48 Years	23+	29 February 16	Standard Chartered Bank
9	Ms. Nandini Malhotra	Executive Vice President & Chief Credit Officer	NA	Full Time Employee (FTE)	1.40	3.23	MA-Economics (H); 44 Years	22	01 August 09	GE Capital
10	Ms. Rinku Sharma	Executive Vice President & Chief Compliance Officer	NA	Full Time Employee (FTE)	1.37	4.88	<ul style="list-style-type: none"> <li>• MBA Finance from International Management Institute</li> <li>• BSC (PCM), St. Stefens College</li> <li>• Green belt certified</li> <li>• Certified in Anti Money Laundering</li> </ul> 51 Years	30	29 July 97	GE Capital

**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 active employees of the Company as on 31<sup>st</sup> March 2024 in terms of remuneration drawn are determined on the basis of total remuneration paid by the Company during the Financial year 2023-24, excluding the perquisite value of ESOPs exercised during the financial year 2023-24. However, for the purpose of good governance the perquisite value of ESOPs exercised during the financial year 2023-24 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, 2024.

**For and on behalf of the Board**

**Dinesh Khara**  
Chairman  
DIN: 06737041

Date: July 16, 2024  
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, 2024 – **14.04:1**

The Company has paid sitting fees aggregating to ₹ 1.15 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 – **11.89%\***
- Chief Financial Officer – **5%**
- Company Secretary – **8%**

- (iii) the percentage increase in the median remuneration of employees in the financial year: **9.8%**

- (iv) the number of permanent employees on the rolls of Company as on March 31, 2024– **3829**.

- (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 FY24.
2. Remuneration considered excludes variable payout.
3. \* Remuneration of MD & CEO does not include the salary arrears as per bipartite settlement of State Bank of India.

**For and on behalf of the Board**

Date: July 16, 2024  
Place: Mumbai

**Dinesh Khara**  
Chairman  
DIN: 06737041

## Annexure -5 to the Board's Report

## BUSINESS RESPONSIBILITY &amp; SUSTAINABILITY REPORT

## 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 <sup>th</sup> Floor, Aggarwal Millennium Tower E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi 110 034, India;
5.	Corporate Address	2 <sup>nd</sup> Floor, Tower-B, Infinity Towers, DLF Cyber City, Block 2 Building 3, DLF Phase 2, Gurugram, Haryana 122 002, India;
6.	E-mail	investor.relations@sbicard.com;
7.	Telephone	+91 (124) 458 9803
8.	Website	www.sbicard.com
9.	Financial Year for which reporting is being done	2023-24
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, 2024	INR 9,50,96,85,190/-
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.sbicard.com Office: +91 124 4589903
13.	Reporting Boundary	Standalone Basis. The Company does not have any subsidiaries.
14.	Name of Assurance provider	SGS India Pvt. Ltd.
15.	Type of Assurance obtained	Reasonable Assurance

## II. Products/services

## 16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
1.	Credit Card	We are a public listed pure-play credit card issuer in the country	100%

## 17. 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

## 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	23	23
International	0	0	0

## 19. Markets served by the entity:

## a. Number of locations

Locations	Number
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?**

4.27%

**c. A brief on types of customers**

SBI Card, a subsidiary of the State Bank of India, stands as the second-largest credit card issuer in India. With a vast clientele exceeding 1.89 Crore cardholders, we provide financial accessibility through an extensive range of value-added payment products and services, catering to both transactional and short-term credit needs. Our commitment to delivering a diverse credit card portfolio enables seamless and secure cashless, contactless digital payments in India. A key driver of our success lies in cultivating and refining a varied product mix. SBI Card serves a broad spectrum of cardholders, spanning from the "super-premium" and "premium" categories to the "affluent," "mass affluent," "mass," and "new to credit" segments.

**IV. Employees**
**20. 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)
<b>EMPLOYEES</b>						
1.	Permanent (D)	3829	2767	72%	1062	28%
2.	Other than Permanent (E)	32537	19561	60%	12976	40%
3.	Total Employees (D+E)	36366	22328	61%	14038	39%

**b. Differently abled employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>						
1.	Permanent Employees (D)	4	2	50%	2	50%
2.	Other than Permanent Employees (E)	0	0	0	0	0
3.	Total differently abled employees (D + E)	4	2	50%	2	50%

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**21. 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%

**22. Turnover rate for permanent employees and workers\* (Disclose trends for the past 3 years)**

Category	FY 2023-2024 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in the Year prior to previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	19.41%	17.09%	18.77%	25.53%	30.0%	26.74%	24.8%	30.7%	26.50%

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.



**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether it is a holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	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	68.63 (includes shareholding held by subsidiaries of SBI)	No

**VI. CSR Details****24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes**

(ii) Turnover (in ₹): FY2022-23 - 14,285.67 Crores  
FY2023-24 - 17,483.50 Crores

(iii) Net worth (in ₹): FY2022-23 - 9,902 Crores  
FY2023-24 - 12,155.54 Crores

**VII. Transparency and Disclosures Compliances****25. 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 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints		Remarks	Number of complaint		Remarks
		filed during the year	pending resolution at close of the year		filed during the year	pending resolution at close of the year	
Communities	Yes csrpehel@sbicard.com	0	0	-	0	0	-
Investors (other than shareholders includes NCD Holders)	Yes	0	0	-	0	0	-
Shareholders	Yes <a href="https://www.sbicard.com/en/who-we-are/unclaimed-dividend">https://www.sbicard.com/en/who-we-are/unclaimed-dividend</a> .Page	541	5	Number of complaints pending as on 31.3.2024 were subsequently resolved in the next quarter. Further, the number of Complaints referred herewith also includes queries, requests etc. received from the shareholders.	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.
Employees & Workers*	Yes <a href="https://www.sbicard.com/sbicard-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf">https://www.sbicard.com/sbicard-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf</a>	0	0	-	2	0	Employees have raised concerns under the following five categories: 1.Sexual Harassment 2.Behavioral 3.Data Security 4.Financial 5.Insider Trading violation

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 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		Number of complaints			Number of complaint		
		filed during the year	pending resolution at close of the year	Remarks	filed during the year	pending resolution at close of the year	Remarks
Customers	Yes <a href="https://www.sbicard.com/en/grievance-redressal-policy">https://www.sbicard.com/en/grievance-redressal-policy</a> page	Gross Inflow – 315,634 Gross Complaints – 170,640 Net Complaints (Subset of Gross Inflow) – 6,208	Gross Inflow – 3,223 Gross Complaints - 2,802 Net Complaints (Subset of Gross Inflow) – 97		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	
Value Chain Partners	Yes <a href="https://www.sbicard.com/sbicard-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf">https://www.sbicard.com/sbicard-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf</a>	0	0		0	0	0

\*SBI Card does not have any workers. Hence, the information pertaining to complaints covers data for employees only.

## 26. Overview of the entity's material responsible business conduct issues

Sr. 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	Business Ethics	Risk	Regulatory risk and increased competition due to entry of new age players has made it important for company to keep a close watch to analyse and take actions as and when required to meet the challenges in credit category including frauds, misuse and other factors.	SBI Card has formulated various policies including Risk management, compliance policy, credit risk policy, information security policy, cybersecurity policy, etc. to delineate comprehensive architecture for managing risks prudently. Risk function strives to identify and analyse new/ emerging risks.	Negative as misuse and frauds can lead to financial losses for the company and create legal issues and risk of liability for unauthorised transactions.
2	Data privacy & security	Risk	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 organisational data along with information assets are protected with multi-layered 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	Negative implications encompass the possibility of incurring additional or increased costs associated with the management of timely, frequent, and customised updates in the following areas: 1. Internal IT infrastructure and architecture 2. Software purchases 3. IT hardware 4. Adjustments necessitated by sector-specific or theme-specific regulatory requirements.

Sr. 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)
3	Anti-corruption & Risk bribery	Risk	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.	Negative as it leads to compliance costs, potential legal fines, loss of business opportunities, and reputational damage leading to decreased revenue and profitability.
4	Risk Management & compliance	Risk	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 risk policy, information security policy, cybersecurity policy, etc. to delineate comprehensive architecture for managing risks prudently. Risk function strives to identify and analyse new/ emerging risks.	Negative due to higher expenditure in mitigation measures, revenue loss, operational disruptions, increased recovery costs, and damage to brand reputation
5	Responsible Selling Practices	Risk	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.	Negative as Customer dissatisfaction and poor overall experience could lead to reduced customer retention, diminishing the company's market share and undermining its competitive standing.
6	Responsible Digitalisation	Opportunity	In line with our key business goal of enhancing customer experience and increased operational efficiency, SBI Card is continuing its journey on digitisation, use of Robotics and AI.	-	Positive as digitalisation and use of AI/ML & automation has the potential to enhance operational efficiency
7	Innovative technologies & products	Opportunity	Innovation in emerging technologies and products is crucial for delivering value to customers and stakeholders. By leveraging these advancements, the company can enhance security, improve user experience, streamline operations, and offer personalised services, ultimately driving customer satisfaction and business growth.	-	Positive as it leads to reduction in operational costs, enhancing fraud detection, improving customer experience, increasing transaction volumes ultimately boosting profitability and market share.
8	Consumer Financial Protection	Risk	It is imperative for SBI Card to treat its customers in utmost manner ensuring fair practices, transparent terms, fraud prevention, accurate credit reporting, fair debt collection, and efficient dispute resolution to safeguard consumers from unfair practices and financial harm...	SBI Card is leveraging innovative strategic options like greater dependence on digital and new machine learning models for mitigating these risks.	Negative as it results in loss of business opportunities and reputational damage, resulting in reduced revenue and profitability.

Sr. 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)
9	Colleague Health & Safety	Opportunity	Employees are regarded as the most valuable asset of the company, therefore prioritising their well-being is one of the key aspects for SBI Card	-	Positive as it boosts the morale, productivity and retention, creating a safe and healthier work environment and positive company culture.
10	Inclusion & Diversity	Opportunity	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.	-	Positive as workforce diversity is vital for business success, attracting talent, and enhancing its reputation as a premier service provider.
11	Colleague Attraction & Retention/ Future Workforce	Opportunity	While SBI Card is on the path of expanding its business footprint and diversify its product offering, attraction and retention of talent is crucial to its business sustenance and growth.	-	Positive as a skilled and loyal workforce reduces turnover costs, and enhances productivity, positively impacting bottom line.
12	Employee Engagement & Welfare	Opportunity	Being a service provider, fostering customer loyalty, creating a conducive work environment to promote participation of employees is important to organisational performance and stakeholder value.	-	Positive as it boosts, employee satisfaction and leads to increased productivity and overall performance. Investing in employee welfare initiatives significantly contribute to reducing turnover rates and enhanced innovation within the workplace .
13	Employee Learning & Development	Opportunity	Over the years, SBI Card has already undertaken several initiatives towards Employees' 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	-	Positive in terms of higher productivity of people, fosters expertise and competitiveness, ensuring improved customer service to drive business growth and success
14	Climate Change	Opportunity	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 and optimised energy use	-	Positive as it leads to improved operational efficiency, promoting eco-friendly behaviours to mitigate climate change, cost savings, enhanced reputation as an environmentally responsible company, leading to increased customer trust and loyalty.
15	Energy Consumption	Opportunity	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.	-	Positive, as it leads to improved operational efficiency, cost savings, and enhanced reputation as an environmentally responsible company. The ongoing strategic planning aims to achieve carbon neutrality, including reducing Scope 2 emissions, by the fiscal year 2030.
16	Waste reduction & recycling	Opportunity	SBI Card has already undertaken several initiatives in past to eliminate waste such as transitioning to e-statements, usage of r-PVC cards etc. There is scope to enhance efforts in this space to build stronger sustainable operations.	-	Positive as it leads to improved environmental impact, cost savings and enhanced reputation.

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
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)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
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 PCI- DSS 4.0
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>SBI Card is committed to ESG Goals &amp; Targets as mentioned below.</p> <p><b>Environment</b></p> <ol style="list-style-type: none"> <li>Reduce Scope 2 emissions by 50% by FY 2027 (Baseline FY 2019) and achieve carbon neutrality by 2030</li> <li>Adopt recycle plastic cards and increase its volume to 25% by FY 2030</li> <li>Digitise 85% of welcome kits thereby reducing paper usage by FY 2027</li> <li>Give ₹ 50 Crores contribution to environment initiatives by FY 2029.</li> </ol> <p><b>Social</b></p> <ol style="list-style-type: none"> <li>Increase the proportion of women in permanent employees to 29% by FY 2027 and 35% by FY 2029.</li> <li>Improve diversity by increasing PwD workforce' proportion in permanent employees to at least 1% by FY 2027.</li> <li>Transform the education of 1 lakh individuals by FY 2027 and 5 lakh individuals by FY 2030 through CSR programmes.</li> <li>Providing quality health care services to at least 50,000 individuals by strengthening health infrastructure by FY 2027.</li> </ol> <p><b>Governance</b></p> <ol style="list-style-type: none"> <li>Enhance Data Privacy Standards across all operations.</li> <li>Establish value chain's ESG assessment process aiding vendor selection process by FY 2025.</li> <li>Link ESG performance with executive compensation by FY 2030.</li> </ol>								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	<p>At SBI Card, we're on a continuous journey towards ESG excellence. The below mentioned updates showcase our progress for FY 2023-24:</p> <p><b>Environment-</b></p> <ul style="list-style-type: none"> <li>Reduction in Scope 2 emissions by 47% against the baseline FY 2019, demonstrating our dedication to combatting climate change.</li> <li>Plastic cards adoption has reached up to 8%, thus making a significant environmental impact.</li> <li>81 % welcome kits digitised to minimise paper usage</li> <li>Our contribution of INR 27.27 Crores in environmental initiatives further contributes towards environmental sustainability.</li> </ul> <p><b>Social-</b></p> <ul style="list-style-type: none"> <li>Women representation has increased from 26.7% in FY 2023 to 27.74% in FY 2024</li> <li>Actively working towards expanding opportunities for people with disabilities, with progress made on the policy approved under the Equal Opportunity and Inclusion for Persons with Disabilities (PWD) Act 2016 &amp; 2017. This fosters a diverse and inclusive workplace and contributes to social development.</li> <li>Through impactful CSR initiatives, we've empowered over 16,000 individuals in FY2024 with skills needed for the future economy.</li> </ul>								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	<p><b>Governance-</b></p> <ul style="list-style-type: none"> <li>• Prioritised building trust and transparency by implementing robust security measures. Our successful migration to the latest PCI-DSS 4.0 standards ensures the highest level of data protection for our customers.</li> <li>• Building a Sustainable Supply Chain: Our commitment to ESG extends beyond internal operations. We collaborate with suppliers, promoting responsible practices throughout the supply chain. This fosters a more sustainable ecosystem and strengthens our overall risk management strategy.</li> <li>• Currently evaluating the incorporation of ESG factors in executive compensation plans</li> </ul>								
<b>Governance, leadership, and oversight</b>									
<b>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:</b>									
<p>SBI Card is steadfast in its commitment to the principles of ESG, which are integral to our corporate philosophy and operational framework. We have embraced the implementation of energy-efficient technologies and adhere to a comprehensive risk management system that rigorously assesses environmental and social risks. Our resolve to conduct business responsibly is evidenced by our pursuit of carbon-neutral operations. This is achieved through the exploration of renewable energy solutions in collaboration with landlords, participation in accredited offset programs, and the continuous improvement of our energy-efficient technologies. Additionally, our initiatives aimed at increasing the utilisation of recycled plastic for card production and the introduction of digital welcome kits are reflective of our dedication to reducing environmental impact and fostering sustainable practices.</p> <p>In the sphere of diversity and inclusion, SBI Card has made significant progress by improving the representation of women in our workforce and enacting inclusive policies that embrace the LGBTQ community and individuals with disabilities, in alignment with the mandates of the Equal Opportunity and Inclusion for Persons with Disabilities (PWD) Act 2016 &amp; 2017. Our Corporate Social Responsibility (CSR) endeavors are designed to equip individuals with vital skills, thereby supporting our conviction that social responsibility yields societal benefits while simultaneously strengthening community bonds and enhancing workforce engagement.</p> <p>In our pursuit of trust and transparency, we have upgraded our security measures to comply with the latest PCI-DSS 4.0 standards, ensuring the highest level of data protection for our customers. Our ESG commitment extends to our supply chain, where we collaborate with suppliers to promote responsible practices, thereby enhancing our risk management strategy and contributing to a sustainable business ecosystem.</p> <p>Furthermore, we have integrated ESG considerations into our corporate scorecard for executive compensation. This integration aligns executive incentives with sustainable and ethical business conduct, thereby reinforcing corporate accountability, solidifying stakeholder confidence, and promoting the generation of long-term value.</p> <p>By placing a strong emphasis on exemplary governance and leadership in ESG matters, SBI Card continues to lead the way in responsible financial services, paving the path toward a more sustainable future. We are devoted to the transparent disclosure of our ESG initiatives and their outcomes, as we believe that such transparency is crucial for our stakeholders to recognise and value the persistent contributions we are making towards sustainable development.</p>									
<p><b>Mr. Abhijit Chakraborty</b> Managing Director &amp; CEO</p>									
<b>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).</b>	Mr. Abhijit Chakravorty Managing Director & CEO								
<b>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.</b>	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
	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 Managing Director & Chief Executive Officer, Deputy Chief Executive Officer, Chief People Officer & Chief Financial Officer.								

## 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										Annually
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 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"> <li>Code of Conduct for the Company's Board of Directors and Senior Management Team: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf</a></li> <li>Related Party Transactions Policy: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/rpt-policy.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/rpt-policy.pdf</a></li> <li>Corporate Governance Code: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/corporate-governance-code.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/corporate-governance-code.pdf</a></li> <li>Vigil Mechanism Policy: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/vigil_mechanism_policy.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/vigil_mechanism_policy.pdf</a></li> <li>Fair Disclosure of UPSI: <a href="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">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</a></li> <li>Policy For Determination Of Materiality Of Events/ Information And Disclosure: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/policy-for-determination-of-materiality-of-events-information-and-disclosure-thereof-to-the-stock-exchange.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/policy-for-determination-of-materiality-of-events-information-and-disclosure-thereof-to-the-stock-exchange.pdf</a></li> <li>Fair Practice Code: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/footer/fair-practice-code/fair-practise-code.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/footer/fair-practice-code/fair-practise-code.pdf</a></li> <li>SBI Card has additional policies conforming to this Principle. These policies are internal documents and not accessible to the public.</li> </ul>
Principle 2	<ul style="list-style-type: none"> <li>Fair Practice Code: <a href="https://www.sbicard.com/en/fair-practice-code.page">https://www.sbicard.com/en/fair-practice-code.page</a></li> <li>Code of Conduct Guidelines: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf</a></li> </ul>
Principle 3	<ul style="list-style-type: none"> <li>Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/POSH.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/POSH.pdf</a></li> <li>Code of Conduct Guidelines: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf</a></li> <li>Equal Opportunity Policy: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/Equal-Opportunities-Policy.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/Equal-Opportunities-Policy.pdf</a></li> <li>SBI Card has more policies conforming to this Principle. Few of such policies are advanced education policy, leave policy, CLA policy, car lease policy, advance salary policy, promotion policy, etc. These policies are internal documents and not accessible to the public.</li> </ul>

Principle 4	<ul style="list-style-type: none"> <li>Code of Conduct for the Company’s Board of Directors and Senior Management Team: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf</a></li> <li>Business Responsibility &amp; Sustainability Policy: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sustainability-and-business-responsibility-policy1.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sustainability-and-business-responsibility-policy1.pdf</a></li> <li>Corporate Social Responsibility Policy: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/csr_policy_sbicpsl.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/csr_policy_sbicpsl.pdf</a></li> </ul>
Principle 5	<ul style="list-style-type: none"> <li>Code of Conduct Guidelines: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf</a></li> <li>Policy for Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/POSH.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/POSH.pdf</a></li> </ul>
Principle 6	<ul style="list-style-type: none"> <li>Business Responsibility &amp; Sustainability Policy: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sustainability-and-business-responsibility-policy1.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/sustainability-and-business-responsibility-policy1.pdf</a></li> <li>Code of Conduct for the Company’s Board of Directors and Senior Management Team: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-for-board-and-smt.pdf</a></li> </ul>
Principle 7	Not Applicable
Principle 8	Corporate Social Responsibility Policy: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/csr_policy_sbicpsl.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/csr_policy_sbicpsl.pdf</a>
Principle 9	<ul style="list-style-type: none"> <li>Grievance Redressal Policy: <a href="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">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</a></li> <li>Code of Conduct Guidelines: <a href="https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf">https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf</a></li> </ul>

**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**

**1. 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	Information & Cyber security, Anti money laundering, Code of conduct acknowledgement Insider Training, ESG & Business Responsibility & Sustainability Report (BRSR), The Digital Personal Data Protection Act India 2023, Collections	100%
Key Managerial Personnel	10	Information & Cyber security, Anti money laundering, Code of conduct acknowledgement Prevention of Sexual Harassment, Insider Training, Risk Management	100%
Employees other than BODs and KMPs	16	Information & Cyber security, Anti money laundering, Code of conduct acknowledgement, competitor contact, Treating customers fairly, improper payments, Prevention of Sexual Harassment, Fraud Awareness training, Financial Literacy, Insider Training, Risk Management	100%

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**2. 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, in the following format:**

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
<b>Monetary</b>				
Penalty/ Fine				
Settlement				
Compounding fee				
<b>Non-Monetary</b>				
Imprisonment				
Punishment				

\*Please note that the data above does not include BAU matters decided by the Judicial Institutions, Banking Ombudsman or Regulatory Bodies.



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.

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.

Our company's Compliance Policy, which includes 'Code of Conduct', guidance on anti-corruption and anti-bribery. This policy is applicable to everyone associated with the company – from our employees and suppliers to contractors, third-party representatives, and consultants. It reinforces our commitment to uphold ethical practices across all facets of our business operations. Link: <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/code-of-conduct-guidelines.pdf>.

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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	0	0
KMPs	0	0
Employees	0	0

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

6. Details of complaints with regard to conflict of interest:

	FY 2023-24 (Current Financial Year)		FY 2022-23 (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 2023-24, no such issues were received by the company. Thereby, this is not applicable.

8. Number of days of accounts payables (Accounts payable \*365) / Cost of goods/services procured) in the following format:

Category*	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	68	70

\* Cost of services procured includes operating cost, fees and commission expenses and employee benefit expenses.

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	NA	NA

Parameter	Metrics	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NA	NA
	b. Sales (Sales to related parties / Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0.001%	0.002%
	d. Investments (Investments in related parties / Total Investments made)	0.00%	0.00%

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

### Leadership Indicators

#### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of training and 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
SBI Card proactively addresses environmental, social, and governance (ESG) concerns in its supplier relationships through a structured communication strategy. This includes awareness emails that outline key ESG issues and best practices with the top suppliers. These emails serve as an educational tool, helping suppliers understand the importance of sustainable and responsible business practices. Furthermore, to underscore the importance of continuous engagement, SBI Card has introduced a new onboarding form effective January 1, 2024, to ensure regular interactions with value chain partners.. These interactions are designed to not only raise awareness but also to encourage the implementation of the National Guidelines on Responsible Business Conduct (NGRBC) principles.		

#### 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, our Code of Conduct, which applies to the company's Board of Directors and Senior Management team, outlines procedures for managing conflicts of interest. The policy which can be accessed here- [code-of-conduct-for-board-and-smt.pdf \(sbicard.com\)](#) dictates that all interactions with related parties should be carried out as if the parties are not related to ensure there is no conflict of interest. In instances where a transaction or situation could potentially cause a conflict of interest, it should be assessed carefully by the relevant authority to determine its impact. There is a process in place to take annual confirmation from the Directors. Before entering such transactions, compliance with the Companies Act, 2013, Listing Regulations, and any other applicable regulations is absolutely essential, reinforcing our commitment to transparency, fairness, and legal adherence in all our business operations.

### PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

#### Essential Indicators

#### 1. 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.

Type	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvements in Environmental and Social Impacts
Research & Development (R&D)	NA	NA	NA
Capital Expenditure (CAPEX)	37%	36%	This Expense includes projects that have enabled Digitisation of various processes & also provided improvised Customer Experiences like Mobile App Revamp, UPI on Rupay Credit Card, Live chat Integration with Ask ILA, Customer Retention on Digital Channels etc.

#### 2. a. 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. However, 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 authorised 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.

#### b. If yes, what percentage of inputs were sourced sustainably?

Not Applicable

3. 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.

Product	Process to safely reclaim the product
a. Plastics (including packaging)	
b. E-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.
c. Hazardous Waste	
d. Other Waste	

4. 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, however E-waste arising from our operations is shared with authorised recyclers & service providers.

### Leadership Indicators

1. 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?

In FY2023-24, SBI Card conducted Life Cycle Assessment (LCA) on key card types like PVC, Hololam, and metal cards to understand environmental impact. As SBI Card does not directly manufacture its credit cards, our approach to conducting a Life Cycle Assessment (LCA) involves a cradle-to-gate perspective. This method emphasises the stages from the extraction of raw materials through to the point when the cards leave our principal vendor's facility, where the majority of the manufacturing occurs. By concentrating on our key vendor, we are able to thoroughly evaluate and understand the environmental impacts associated with the production process, ensuring that we maintain a high standard of sustainability throughout our supply chain.

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
64 & 66	Credits card <ul style="list-style-type: none"> <li>PVC cards</li> <li>Hololam cards</li> <li>Metal cards</li> </ul>	100%	Cradle to Gate approach and study considers SBI Card's largest vendor, wherein, <ul style="list-style-type: none"> <li>Card manufacturing from Thailand</li> <li>Card customisation from India</li> </ul>	Yes	No

2. 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 the product/ service	Description of the risk/ concern	Action Taken
Credit card	Use of natural resources, waste generated, energy consumption and emissions at different stages	Adoption of usage of rPVC to minimise its environment impact

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).

Given that SBI Card is exclusively focused on credit card issuance and payment solutions, there is no applicable percentage of recycled or reused input materials in company's production or service processes.

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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Reused	Recycled	Safely Disposed	Reused	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.

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	% of employees covered by										
	Total (A)	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)
<b>Permanent employees</b>											
Male	2767	2767	100%	2767	100%	-	-	2767	100%	2767	100%
Female	1062	1062	100%	1062	100%	1062	100%	-	-	1062	100%
<b>Total</b>	<b>3829</b>	<b>3829</b>	<b>100%</b>	<b>3829</b>	<b>100%</b>	<b>1062</b>	<b>28%</b>	<b>2767</b>	<b>72%</b>	<b>3829</b>	<b>100%</b>
<b>Other than Permanent employees</b>											
Male	19561	19561	100%	0	0%	-	-	0	0%	0	0%
Female	12976	12976	100%	0	0%	12976	100%	-	-	0	0%
<b>Total</b>	<b>32537</b>	<b>32537</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>12976</b>	<b>39.88%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

b. Details of measures for the well-being of workers:

Not applicable. SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

c. Spending on measures towards well-being of employees and workers\* (including permanent and other than permanent) in the following format-

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	0.087%	0.089%

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**Note-** The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

Well-being benefits cover Group Medical, Accidental & Term Life Insurance, Day care benefit & Annual Health Checkup for permanent employees.

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Benefits	FY 23-24 Current Financial Year			FY 22-23 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers* covered as a % of total worker	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 worker	Deducted and deposited with the authority (Y/N/N.A.)
<b>PF</b>	100%	0	Y	100%	0	Y
<b>Gratuity</b>	100%	0	Y	100%	0	Y
<b>ESI</b>	2%	0	Y	4.24%	0	Y
<b>Others - please specify</b>	-	-	-	-	-	-

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

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, SBI Card have made conscious efforts to ensure the offices and premises are accessible to employees with different physical capabilities. This includes implementing infrastructural changes such as the installation of supportive ramps and lifts as well as the provision of dedicated washrooms in the facilities managed by SBI Card. We believe in inclusivity and these changes reflect our commitment to providing a supportive and comfortable working environment for all employees.

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, SBI Card is committed to fostering an inclusive and diverse workplace where all employees are treated equally with dignity and respect. As part of this commitment, we embrace individuals from persons with disabilities ("PWD"). The weblink for accessing the same on our website: <https://www.sbicard.com/sbi-card-en/assets/docs/pdf/who-we-are/notices/Equal-Opportunities-Policy.pdf>.

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%	78.78%	NA	NA
Female	100%	53.84%	NA	NA
<b>Total</b>	<b>100%</b>	<b>71.74%</b>	<b>NA</b>	<b>NA</b>

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

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
<b>Permanent Employees</b>	Yes	<p>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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• An enquiry is initiated based on the initial evaluation of the complaint.</li> <li>• The investigators are appointed for investigating the case.</li> <li>• The identity of the complainant is kept confidential and safeguarded at all stages of the inquiry.</li> </ul> <p>The inquiry report is submitted ahead for decision-making as per Corrective Action Policy</p>
<b>Other than Permanent Employees</b>	Yes	With their respective employers

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24 Current Financial Year			FY 2022-23 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)
<b>Permanent Employees</b>						
Male	2767	0	0	2861	0	0
Female	1062	0	0	1046	0	0
<b>Total</b>	<b>3829</b>	<b>0</b>	<b>0</b>	<b>3907</b>	<b>0</b>	<b>0</b>

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

8. Details of training given to employees and workers\*:

Category	FY 2023-24 Current Financial Year					FY 2022-23 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)
<b>Employees</b>										
Male	2767	2767	100%	2767	100%	2,861	2,861	100%	2,861	100%
Female	1062	1062	100%	1062	100%	1,046	1,046	100%	1,046	100%
<b>Total</b>	<b>3829</b>	<b>3829</b>	<b>100%</b>	<b>3829</b>	<b>100%</b>	<b>3,907</b>	<b>3,907</b>	<b>100%</b>	<b>3,907</b>	<b>100%</b>

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**9. Details of performance and career development reviews of employees and worker\*:**

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	2767	2616	98.2%	2,861	2,713	94.93%
Female	1062	991	98.5%	1,046	1,009	96.56%
<b>Total</b>	<b>3829</b>	<b>3607</b>	<b>98.3%</b>	<b>3,907</b>	<b>3,722</b>	<b>95.36%</b>

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**10. Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	No, given that SBI Card operates in the service industry, the employees are not exposed to any hazardous situations. We acknowledge our responsibility to safeguard our employees from risk of harm during day-to-day business activities. As a result, we are committed to promoting the health and safety of our employees, contractors, customers, and suppliers by offering and maintaining a secure work environment along with thorough wellness initiatives.
What is the coverage of such system?	There is no formal Health and safety management system implemented. However, best practices are being followed to ensure health and safety of employees.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	EHS standards assist us in identifying workplace hazards, while the Crisis Management Plan assists us in assessing site-related risks.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes, employees have various channels available, such as emails, the voice portal, and the internal ticketing system, to report work-related hazards.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	All SBI Card employees are insured as part of our commitment to their wellbeing. Additionally, they can access the Mfine application for medical consultations, providing them with convenient and readily available healthcare assistance. 1333 employees availed Annual Health checkups during the financial year. Webinars on mental wellness, diet consultations, ZUMBA, yoga, respiratory health, immunity boosting were conducted throughout the year.

**11. Details of safety related incidents, in the following format:**

Safety Incident/ Number	Category	FY 2023-24	FY 2022-23
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
Total recordable work-related injuries	Employees	0	0
No. of fatalities	Employees	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**
**Employee health**

1. Providing safe and hygienic workplace by cleaning and sanitising the workplace daily.
2. Providing better air quality in office premises by periodic cleaning and sanitisation of AC air filters.
3. Providing masks for employees and visitors to prevent spread of contagious diseases, as and when required.
4. Providing onsite medical facility at SBIC offices wherein employee strength is greater than 500.
5. Deployed oxygen generating indoor plants to improve indoor air quality.
6. A wellness program has been introduced within the organisation to ensure holistic well-being of employees.
7. Multiple wellness/ yoga/ meditation/zumba sessions are being organised within the office.
8. Preventive annual health check-up of employees.
9. Medclaim facility for employees and their dependents.
10. Inhouse state of the art Gymnasium facility at Gurgaon office.
11. Regular communication through various medium to enhance awareness on health and hygiene.

**Employee safety**

1. All our offices are guarded to ensure safety of our employees.
2. All our offices have physical access control system in place to ensure only authorised personnel can access the SBIC premises.
3. We have 24x7 CCTV surveillance to monitor any suspicious activity.
4. All our offices are compliant with dual exits for safe evacuations during emergency.
5. Sufficient numbers of Fire extinguishers are placed in all our offices.
6. Fire detection and control systems are installed.
7. All our SBIC offices are equipped with Public Address (PA) system.

We conduct self-audits on a quarterly basis across all SBI Card offices, where the implementation of EHS parameters is thoroughly checked by competent and experienced professionals from our Administration function. The results of these self-audits are carefully reviewed and serve as the basis for any necessary improvements in our office environments. This effective approach optimises health and safety conditions for our employees, demonstrating our strong commitment to their welfare.

**13. Number of Complaints on the following made by employees and workers\*:**

	FY 2023-24 Current Financial Year			FY 2022-23 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	-
Health & Safety	0	0	-	0	0	-

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**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	48%
Working Conditions	48%

**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:**

During FY 23-24, no such safety related incidents were identified at any of the SBIC office premises.

**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).
  - a. Employees (Yes/No): Yes, SBI Card has provision of Group Term Life Insurance for all its employees.
  - b. Workers (Yes/No): Not applicable. SBI Card does not have any workers.
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 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)	FY 23-24 (Current Financial Year)	FY 22-23 (Previous Financial Year)
Employees	0	0	0	0

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

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 prioritisation 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 organisational 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 organisation) 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 & Marginalised 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	<ul style="list-style-type: none"> <li>To understand customer needs, provide support and ensure high levels of satisfaction</li> <li>To build strong customer relationship</li> <li>Understanding customer's data privacy and security requirements</li> </ul>
Employees	No	Internal Meetings; Direct Sessions, Daily Internal E-mails; Townhalls		<ul style="list-style-type: none"> <li>Feedback and Grievance Redressal</li> <li>Employee engagement (motivation happiness / passion / wellbeing)</li> <li>Goals setting &amp; Performance Reviews</li> <li>Employee Assistance Programmes</li> <li>Wellness sessions and training Programmes</li> <li>Alignment to the organisation's vision &amp; mission</li> </ul>
Regulatory Bodies	No	Email, Phone, Meetings	Need based	<ul style="list-style-type: none"> <li>Understanding and adherence to local governance</li> <li>Discussion with regard to various amendments, notifications suggestions issued by the regulatory authorities time to time</li> </ul>
Suppliers	No	Email, Phone, Meetings	Frequent and need based	<ul style="list-style-type: none"> <li>Stronger partnerships</li> <li>Credit worthiness</li> <li>Ethical Behavior</li> <li>Fair Business Practices</li> </ul>
Investors & Shareholders	No	Email, Meetings, Notice Board, Annual General Meetings, Investor meets	Frequent & need based	<ul style="list-style-type: none"> <li>Updates on company's progress</li> <li>Long-term viability and sustainable growth</li> </ul>
Communities	Yes	Through NGOs	Need based	<ul style="list-style-type: none"> <li>Corporate Social Responsibility projects</li> </ul>

### 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.

**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. The management will ensure to review the feedback if received during the connect with stakeholders (not limited to the frequency mentioned above) and necessary amendments shall be 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/marginalised stakeholder groups.**

Please refer to our CSR page for engagements with identified vulnerable/marginalised 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	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers* covered (B)	% (B/A)	Total (C)	No. of employees / workers* covered (D)	% (D/C)
Permanent	3829	3829	100%	3,907	3,907	100
Other than permanent	0	0	0	0	0	0
<b>Total Employees</b>	<b>3829</b>	<b>3829</b>	<b>100%</b>	<b>3,907</b>	<b>3,907</b>	<b>100</b>

**Note:** Code of Conduct is a part of the Compliance Policy of SBI Card and covers the fair employment practices. Regular awareness programs on code of conduct is done through trainings, new joinee(r) orientation program and other campaigns throughout the year to all eligible employees.

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**2. Details of minimum wages paid to employees and workers\*, in the following format**

Category	FY 2023-24 Current Financial Year					FY 2022-23 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)
<b>Permanent</b>	<b>3,829</b>	<b>0</b>	<b>0%</b>	<b>3829</b>	<b>100%</b>	<b>3907</b>	<b>0</b>	<b>0%</b>	<b>3907</b>	<b>100%</b>
Male	2,767	0	0%	2,767	100%	2861	0	0%	2,861	100%
Female	1,062	0	0%	1,062	100%	1046	0	0%	1,046	100%
<b>Other than Permanent</b>	<b>32537</b>	<b>10479</b>	<b>32%</b>	<b>22058</b>	<b>68%</b>	<b>32156</b>	<b>11449</b>	<b>36%</b>	<b>20707</b>	<b>64%</b>
Male	19561	5975	31%	13586	69%	18,546	6,150	33%	12,396	67%
Female	12976	4504	35%	8472	65%	13610	5299	39%	8,311	61%

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

### 3. Details of remuneration/salary/wages, in the following format:

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration (INR)	Number	Median remuneration (INR)
Board of Directors (BoD)*	4	2387500	1	2475000
Key Managerial Personnel	1	9920664**	2	13282626.5
Employees other than BoD and KMP	2767	800000	1060	568069.5

**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".

\*\*During the financial year 2023-24, there was a change in the MD & CEO of the Company. However, as a good corporate governance practice, the remuneration of both incumbents for their respective tenure as MD & CEO during the financial year 2023-24 has been clubbed for disclosure.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Gross wages paid to females as % of total wages	21.89	21.77

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

### 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)

Yes, 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 2023-24 (Current Financial Year)			FY 2022-23 (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	0	0	-	2	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labor	0	0	-	0	0	-
Forced Labor/Involuntary Labor	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

### 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	2
Complaints on POSH as a % of female employees / workers*	0	0.19%
Complaints on POSH upheld	0	2

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

\*SBI Card does not have any workers. Hence, the information pertaining to them are not disclosed anywhere in this Report.

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

Complaint's identity is kept confidential & ensures privacy at all levels of investigation.

**9. 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. The Code of Conduct guidelines for suppliers states expectation towards respecting their employees with dignity, fair labour practice, anti-discrimination and harassment. By adhering to these principles, we ensure our suppliers operate ethically and contribute to a positive social impact.

**10. Assessments for the year:**

% of your plants and offices that were assessed (by entity or statutory authorities or third parties)	
Child Labor	NA
Forced/Involuntary Labor	NA
Sexual Harassment	0
Discrimination at workplace	0
Wages	NA
Others – please specify	NA

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 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, SBI Card have made conscious efforts to ensure the offices and premises are accessible to employees with different physical capabilities. This includes implementing infrastructural changes such as the installation of supportive ramps and lifts as well as the provision of dedicated washrooms in the facilities managed by SBICard. We believe in inclusivity and these changes reflect our commitment to providing a supportive and comfortable working environment for all employees.

**4. Details on assessment of value chain partners:**

% of value chain partners (by value of business done with such partners) that were assessed	
Child Labor	NA
Forced/involuntary Labor	NA
Sexual Harassment	NA
Discrimination at workplace	NA
Wages	NA
Others - please specify	NA

**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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>From renewable sources</b>		
Total Electricity Consumption (A) (GJ)	-	-
Total Fuel Consumption (B) (GJ)	-	-
Energy Consumption through other sources (C) (GJ)	-	-
<b>Total Energy Consumption from renewable sources (A+B+C) (GJ)</b>	-	-
<b>From non-renewable sources</b>		
Total Electricity Consumption (D) (GJ)	12,976.83	13,893.92
Total Fuel Consumption (E) (GJ)	-	-
Energy Consumption through other sources (F) (GJ)	-	-
<b>Total Energy Consumption from non-renewable sources (D+E+F) (GJ)</b>	12,976.83	13,893.92
<b>Total Energy Consumption (A+B+C+D+E+F) (GJ)</b>	12,976.83	13,893.92
<b>Energy Intensity per million INR of turnover</b> (Total energy consumed / Revenue from operations in rupees) (J per INR)	74.23 Joules per unit of (INR) of turnover	97.25 Joules per unit (INR) of turnover
<b>Energy Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total energy consumed / Revenue from operations adjusted for PPP) (J per USD)**	1698.37	2225.45
<b>Energy Intensity in terms of physical output*</b>	NA	NA
<b>Energy Intensity</b> (optional) – the relevant metric may be selected by the entity	-	-

\* As SBIC is service based company there is no physical output or goods manufactured, so the field is not applicable

\*\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by World Bank for India which is 22.882.

**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**

Yes, reasonable assurance of the above parameter was carried out by SGS India Pvt. Ltd.

**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.**

Being a service based industry, we are not identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India, hence this is not applicable to us.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	24,225.59	25,002.23
(iv) Seawater / desalinated water	-	-
(v) Others (Drinking water)	1,351.64	1,223.24
<b>Total volume of Water Withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>25,577.23</b>	<b>26,225.47</b>
<b>Total volume of Water Consumption (in kilolitres)</b>	<b>25,577.23</b>	<b>26,225.47</b>
Water Intensity per rupee of turnover (Water consumption / Revenue from operations) (KL per INR)	0.000000146	0.000000184
<b>Water Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total water consumption / Revenue from operations adjusted for PPP) (KL/USD)**	<b>0.000003347</b>	<b>0.000004201</b>

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water Intensity in terms of physical output</b>	NA*	NA*
Water Intensity (optional) – the relevant metric may be selected by the entity	-	-

\* As SBI Card is a service based company there is no physical output or goods manufactured, so the field is not applicable

\* \*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by OCED for India which is 22.882.

**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.**

Yes, reasonable assurance of the above parameter was carried out by SGS India Pvt. Ltd.

4. Provide the following details related to water discharged:\*

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
(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		
(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		
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>	-	-

\* Note - SBI Card is operating from leased and co-working offices and hence there is no track with the company on the water discharged and it comes under the purview of the building owners

**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.**

Yes, reasonable assurance of above BRSR Core parameter was carried out by SGS India Pvt. Ltd.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Considering the operations of SBI Card, being a credit card provider and operating in leased buildings, zero liquid discharge is not applicable to us.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx		
Sox		
Particulate matter (PM)		
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.

**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.**

Yes, SGS India Private Ltd.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	-	-
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	tCO <sub>2</sub> e	2580.95	2740.19
<b>Total Scope 1 and Scope 2 Emissions</b>	tCO <sub>2</sub> e	2580.95	2740.19
<b>Total Scope 1 and Scope 2 Emissions Intensity per rupee of turnover</b> (Total Scope 1 and Scope 2 GHG Emissions / Revenue from operations)	tCO <sub>2</sub> e / INR	0.0000000148	0.0000000192
<b>Total Scope 1 and Scope 2 Emissions Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total Scope 1 and Scope 2 GHG Emissions / Revenue from operations adjusted for PPP)	(tCO <sub>2</sub> e/USD) **	0.0000003378	0.0000004389
<b>Total Scope 1 and Scope 2 Emissions Intensity in terms of physical output</b>		NA*	NA*
<b>Total Scope 1 and Scope 2 Emissions Intensity</b> (optional) – the relevant metric may be selected by the entity	-	-	-

\* As SBIC is service based company there is no physical output or goods manufactured, so physical output is not material for SBI Card

\*\*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2022 by OECD for India which is 22.882.

**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**

Yes, reasonable assurance of the above parameter was carried out by SGS India Pvt. Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

We're driving sustainability through engaging workshops, and tech solutions to optimise energy consumption. Employees are leading the charge via green teams, competitions, and incentives. Regular updates keep everyone informed, and we're forging community partnerships. Ongoing education via newsletters, social media, and our intranet ensures awareness stays high. Together, we're building a culture of sustainability, where each of us plays a vital role in conserving energy and reducing our carbon footprint.

In line with SBI card's to increase energy efficiency, various initiatives have been undertaken, including retrofitting equipment like ductable units with new efficient units, installing time switches, and other measures. For instance, in Gurgaon Office Building Management has installed a total of 16 AHUs (Air Handling Units) to maintain the required temperature on the floors,

which consume approximately 900,000 kWh of electricity annually. An automation is introduced for effective management of AHUs by upgrading the variable frequency driver and installation of remote controls at control panel of AHUs. The installed technology controls AHU motor speed by sensing AC temperature at floor and accordingly varies motor speed to maintain required temperature at floor.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	2.070	3.482
E-waste (B)*	4.139	2.408
Bio-medical waste (C)	0.045	0.024
Construction and demolition waste (D)	-	-
Battery waste (E)*	0	31.809
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) – Food, General waste	86.244	75.902
<b>Total (A+B + C + D + E + F + G+ H)</b>	92.49	113.62
<b>Waste Intensity per rupee of turnover</b> (Total waste generated / Revenue from operations) (MT per million INR)	0.00052	0.00079
<b>Waste Intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP) (MT per million USD)**	0.0121	0.0181
<b>Waste Intensity in terms of physical output</b>	NA*	NA*
<b>Waste Intensity</b> (optional) – the relevant metric may be selected by the entity	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste: Plastic waste (A)</b>		
(i) Recycled	0.563	2.15
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	0.563	2.15
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: Plastic waste (A)</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	1.507	1.373
Total	1.507	1.373
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste: E-waste (B)</b>		
(i) Recycled	4.0	2.408
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	4.0	2.408
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: E-waste (B)</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	0.139	0
Total	0.139	0



Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste: Battery waste (B)</b>		
(i) Recycled	-	31.8
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	31.8
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: Battery waste (B)</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste: Other Non-hazardous waste generated (H)</b>		
(i) Recycled	64.446	50.274
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	64.446	50.274
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste: Other Non-hazardous waste generated (H)</b>		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	21.797	25.614
Total	21.797	25.614

\* As SBIC is service based company there is no physical output or goods manufactured, so physical output is not material for SBI cards

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

**10. 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 product 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 authorised 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.

**11. 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:**

As the offices of SBIC are mostly in urban areas, there are no areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, hence this is not applicable to us.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

13. 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:

Not Applicable

**Leadership Indicators**

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

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:

Not Applicable to SBI Card since none of the operating offices of SBI card are in water stress areas. Also, SBI Card is operating from leased and co-working offices and hence there is no track with the company on the water discharged, and it comes under the purview of the building owners.

**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.**

No.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23* (Previous Financial Year)
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	40000.46504	43991.97971
<b>Total Scope 3 emissions per rupee of turnover</b>	tCO2e/INR	0.0000002287898	0.0000003079448
<b>Total Scope 3 emission intensity</b> (optional)- the relevant metric may be selected by the entity	tCO2e / INR	-	-

\*The Scope 3 emissions values for the previous year have been restated due to a revision in our calculation methodology. This new methodology incorporates updated emission factors and improved data accuracy, leading to more precise reporting. Original reported values have been adjusted accordingly to reflect these changes.

**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.**

No.

3. With respect to the ecologically sensitive areas reported at Question 11 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 as the Company does not have operations/offices in/around any ecologically sensitive areas (ESAs) or ecologically fragile areas (EFAs).

4. 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.	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"> <li>CFL bulbs have been replaced with LED lights</li> <li>LED light sensors installed at SBI Card offices</li> <li>All conventional lamp-based projectors have been replaced with LED displays, resulting in low power consumption and less E-waste generation.</li> <li>Timely upgradation of HVAC units, UPS, and other electronic devices to ensure lower electrical consumption.</li> <li>Automatic VRV units installed in our offices (wherever possible), resulting in lower consumption of electricity.</li> <li>Weekly cleaning of AC air filters to reduce electrical consumption.</li> <li>Installed sensor-based taps to reduce water wastage.</li> <li>Instead of standees and posters, we use digital medium to display internal communication resulting in reduction of paper consumption.</li> </ol>	Reduction in Electricity, water and Paper consumption.
2	Automation	There are total 16 AHUs (Air Handling units) installed by Gurgaon Building Management in Tower B&C Gurgaon to maintain required temperature at floors, which consumes ~9 lacs KWH of electricity annually. An automation is introduced for effective management of AHUs by upgrading the variable frequency driver and installation of remote controls at control panel of AHUs. The installed technology controls AHU motor speed by sensing AC temperature at floor and accordingly varies motor speed to maintain required temperature at floor. The initiative will save ~90,000 KWH of electricity per annum.	Reduction in electricity and emissions
3	Digitalisation	<p>SBI Card embraced to digital transformation to minimise the environmental impact of traditional paper-based processes. By promoting digital alternatives such as e-statements, online transactions, and virtual customer interactions, we aim to reduce waste and conserve resources.</p> <p>SBI Card undertook digitisation of its key customer touchpoints, rolled out membership e-kits, and bolstered the Sales 24 platform for strengthening digital sourcing.</p>	Reduction in paper waste, emissions

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link.

SBI Card has a comprehensive Business Continuity & Disaster Recovery framework that provides guidance to minimise the service disruption impact to the company and its stakeholders including employees, customers in the event of disaster or business disruption. Through detailed business impact analyses, we identify vulnerabilities and develop both short-term and long-term strategies to maintain business operations. In parallel, our disaster management plan focuses on the recovery and restoration of data and IT infrastructure, facilitating a prompt return to full functionality post any disaster.

6. 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 authorised 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.

7. 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.**

SBI Card has 4 affiliations with trade and industry chambers/ 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
3	The Associated Chambers of Commerce and Industry of India (ASSOCHAM)	National
4	Federation of Indian Chambers of Commerce & Industry (FICCI)	National

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 received from regulatory authorities related to anti-competitive conduct by the entity.		

**Leadership Indicators**

1. **Details of public policy positions advocated by the entity.**

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.**

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
Given the nature of our business operations, a Social Impact Assessment (SIA) is not applicable.					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity,:**

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 INR)
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 local or small-scale suppliers:

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/small producers	7%	7%
Directly from within India	99.99%	99.99%

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

## 5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Rural	0.15%	0.16%
Semi-urban	0.27%	0.18%
Urban	14.90%	15.78%
Metropolitan	84.68%	83.87%

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

(Place categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

## 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):

Given the nature of our business operations, a Social Impact Assessment (SIA) is not applicable.

## 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	District	Amount Spent in Aspirational District in FY
1	Haryana	Nuh	1,56,62,236
2	Jharkhand	Hazaribagh	10,72,765
3	Jharkhand	Ranchi	1,02,10,000
4	Madhya Pradesh	Khandwa	10,72,765
5	Maharashtra	Osmanabad	10,72,765
6	Odisha	Dhenkanal	4,55,925
7	Punjab	Moga	15,41,532
8	Punjab	Ferozepur	7,03,750
9	Rajasthan	Karauli	49,11,753
10	Rajasthan	Dholpur	1,59,49,416
11	Uttar Pradesh	Bahraich	3,48,649
12	Uttar Pradesh	Chandauli	8,05,000
13	Uttarakhand	Haridwar	62,93,574
14	Uttarakhand	Udham Singh Nagar	60,25,383

## 3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No

## (b) From which marginalised /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

**Not Applicable**

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:

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.

Not Applicable

6. Details of beneficiaries of CSR Projects.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalised groups
1	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	15	All our CSR projects are for vulnerable and marginalised communities
2	The project aims to promote 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.	7180	
3	The project aims to design, supply, erection, and commissioning of 620 kWp Grid tied Solar PV plant at 4 districts and sub-divisional hospitals of Rajasthan.	Annual CO2 emissions Saving - 323 Ton Approx	
4	The project aims to train 360 youth in three healthcare job roles i.e. Phlebotomist, General Duty Assistant- Advance and Dresser (Medical) in residential mode in Haryana and Assam	246	
5	Project aims to skill 500+ youths in HealthCare job roles of Phlebotomist, General Duty Assistant- Advanced and Dresser (Medical) in residential mode in Gurugram, Sadiya and Silchar.	240	
6	The 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.	3063	
7	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.	830	
8	Improving mental wellbeing and resilience among adolescents and young married women through community led approach in GOI's RMNCH+A strategy.	25816	
9	"Catch the rain where it falls" initiative aims to develop rainwater harvesting structure in 40 police stations of Gurugram district which will enhance the ground water level.	1) The construction of 32 water conservation structures has facilitated the recharge of groundwater resources, generating more than 28.57 million litres of annual groundwater recharge potential. 2) The implementation of water conservation structures has effectively managed rainwater runoff from a 99,318 square meter area, thereby reducing the risk of flooding in urban areas. irect beneficiaries	

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalised groups
10	The project aims to Install of 2 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.	One Oxygen generation plants relocated to Agra Medical College, another retained in Delhi as per the request of East Delhi Municipal Corporation and generator was installed in CHC Pabau, Uttarakhand for provision of continuous electricity for quality healthcare.	
11	The project proposes to provide awareness and implementation of source segregation of waste in the location of intervention; funding and technical guidance in establishing decentralised wet waste processing unit, monitoring & evaluation framework for sustainable waste. The project has four components- Source Segregation, Implementation, Resource Recovery, Visual Cleanliness, and Integrating/ inclusion of waste workers into formal waste management.	31198	
12	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.	This plantation program would be able to sequester around 15000+ tons of carbon dioxide and produce around 27000+ tons of oxygen in its lifetime (25-30 years).	
13	Promotion of tree-based plantation in aspirational districts to promote alternate livelihood opportunities.	1) 350 farmers 2) Approx. 55000 tons Carbon Dioxide to be sequestered in its life span. 3) Approx. 101200 tons Oxygen to be produced in a life span.	
14	The project aims to Design, supply, erection, and commissioning of 300 kWp Grid tied Solar PV plants at 2 government hospitals in Delhi	Annual CO2 emissions Saving - 278 Ton	
15	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.	Annual CO2 emissions Saving - Approx 332 Ton	
16	The project aims to serve and save the lives of the abandoned, destitute, and homeless elderly via supporting 125 uniquely identified elderly beneficiaries by providing with food, medical care and recreational activities at SHEOWS old age home in Delhi and SHEOWS Old Age Home Garhmukteshwar.	125	
17	The aim of the project is to strengthen infrastructure and processes at 10 sub centers of primary healthcare system through telemedicine support in Nuh, Haryana.	48380	
18	The aim of the project is to establish 25 tinkering Labs in Government Schools across Delhi-NCR & Haryana. The labs include educational kits and equipment on - science, electronics, robotics, sensors and 3D printers and computers.	6591	
19	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.	5847	
20	The project aims to provide water security solutions for the communities by creating 27 RWH structures and 40 water tanks which would help in recharging the groundwater and help conserve water.	3220 villagers	
21	The project is designed to directly impact 763 women candidates to increase the employability opportunity and positively impact their livelihood. A Centre of Excellence for skill development at Government Girls' College, Sector 15, Gurugram has been established and training is being provided in two Telecom sector job roles of In Store Promoter and Customer Care Executive.	763	
22	The project aims to install solar plants in 20 government schools in Delhi and Haryana. It will help in substituting existing consumption of electricity with clean and green electricity.	12434	

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalised groups
23	Under Phase 2 of the project 40 Schools in Haryana is added to enhance learning outcomes by improving access to technology and empowering students.	GFC - 7859 Total (Multipurpose shed & GFC) - 20000	
24	The aim of the project is to plant 75,000 tree saplings of different varieties having high productivity around 6 metro cities with an aim to enhance green cover.	1) Approx. 37500+ tons Carbon Dioxide to be sequestered in its life span. 2) Approx. 67500+ tons Oxygen to be produced in a life span.	
25	The aim of the project is skill development of 650 deaf youth through professional job-related skills and supporting them in getting suitable employment.	562 Students Trained	
26	55,000 Cooked Meal Support in Delhi and Vrindavan for Flood Relief	Delhi 10000+ Vrindavan 10000+	
27	The project aims to provide flood relief support (ration, bedding etc.) to beneficiaries affected due to flood situations in Punjab.	5025	
28	Replication of Flagship Project MASS in Patiala to strengthen the waste management system through establishment of 10 TPD Material Recovery Facility, 30 TPD Plastic Recycling Facility and 40 Aerobin composters in Patiala.	86	
29	The project aims to support Sri Sathya Sai Health and Education Trust for setting up Sri Sathya Sai Sanjeevani Mother and Child Hospital at Raiwala, Uttarakhand to address the infant mortality and morbidity rate.	OPD - 1123 Total Delivery - 532 Intotal - 1655	
30	SAMRIDDH is a comprehensive development project focused on transforming rural communities in aspirational district through implementation of smart and modern infrastructure projects, improving access to essential services such as education and healthcare, empowering women, and fostering economic growth. It seeks to address key challenges faced by rural populations and create sustainable pathways to development and prosperity.	3230	
31	Digital Shaala is a project aimed at promoting digital education in government-run schools. The project will provide ICT devices to classrooms and equip teachers with the technical knowledge required for effective implementation. The target population for this project is students from classes 6 <sup>th</sup> to 8 <sup>th</sup> .	11771	
32	The project aimed at distribution of relief kits in flood affected area of Chennai.	2900 beneficiaries	
33	The project aims to strengthen 12 Government Health & Wellness Centre of Moga, Punjab through provision of telemedicine facility to provide quality healthcare services.	Project has just kicked off, requisite approvals and selection of Telemedicine centre is going on. On ground activities for quality healthcare will start from next financial year.	
34	Improving access to quality education for empowerment of girls through providing digital smart classrooms, specialised labs and other supporting infrastructure.	3000+	
35	The project aims to enhance cancer awareness and enable early cancer detection in Malwa belt of Punjab by conducting mobile health camps through deployment of four medical mobile units.	15012	
36	The project involves designing, supplying, erection & commissioning of 500 kWp Grid tied Solar PV plant 200 kWp at Pandit Sunderlal Sharma Central Institute of Vocational Education (PSSCIVE) Bhopal, Madhya Pradesh and 300 kWp at AIIMS-Bhopal, Madhya Pradesh.	The Plant has been recently installed, impact will be visible in the next financial year.	
37	The project is aimed at rejuvenation of Kasan Lake in Manesar, Haryana using natural purification method, operationalising the defunct STP, landscaping the adjacent areas of water body, development of walking track etc. and awareness amongst villagers to keep the water body clean for improved aquatic life and water table.	Project has just kicked off, on ground activities for lake rejuvenation will start from next financial year.	
38	To establish a Palletisation Plant which will procure straw from farmers using Ex-situ techniques and manufacture bio pallets to be sold to industries. The Project will also establish a farm tool Bank to promote the in-situ recycling of straw.	Project has just kicked off, on ground activities will start from next financial year.	



S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalised groups
39	Project aims to sponsor four School Buses & Solar Street Lights enabling Safe Access to Education for Underserved Children.	Project has just kicked off, on ground activities/Buses will be will start from next financial year.	
40	Recycling Plastic Waste into Sustainable Seating Solutions for Government Schools in state of Uttarakhand.	Project has just kicked off, on ground activities/distribution of benches will start from next financial year.	

## PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner.

### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The customer is the focus of the organisation's Products, Services and People. SBI Card has a publicly available Grievance Redressal Policy to ensure satisfactory redressal and resolution of consumer complaints. A multi-layered approach for resolution, with dedicated centralised team, is followed by service touch points to address, investigate and resolve.

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:

Type	As a percentage to Total Turnover
Environment and Social parameters relevant to product	Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

#### 3. Number of consumer complaints in respect of the following:

	FY 23-24 (Current financial Year)		Remarks	FY 22-23 (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	0	0		0*	0*	
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	
Others	Gross Inflow – 3,15,634 Gross Complaints – 1,70,640 Net Complaints -6,208	Gross Inflow – 3,223 Gross Complaints – 2,802 Net Complaints - 97		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	

\*Note: Certain marketing-related complaints were previously reported as advertising complaints. Upon review, no advertising complaints were identified, leading to lower numbers compared to last year.

**4. Details of instances of product recalls on account of safety issues:**

Not Applicable

**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. SBI Card has put in place a thorough set of security precautions to defend the data and information we're trusted with. This is in line with our code of conduct, which states "one is to never obtain, use or disclose individual information in ways that are inconsistent with privacy policies or with applicable privacy and data protection laws and regulations."

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.**

Sr.	Topic	Corrective Actions
1.	Advertising	Given that complaints related to advertising and other consumer issues are distinct and vary on a case-by-case basis, we have undertaken appropriate corrective actions and implemented necessary system improvements for each scenario. It's important to note that no penalties or actions have been imposed by regulatory bodies.
2.	Delivery of essential services	
3.	Cybersecurity & Data Privacy	
4.	Product Recalls	
5.	Product safety/Services	

**7. Provide the following information relating to data breaches:**

- a. Number of instances of data breaches- 0
- b. Percentage of data breaches involving personally identifiable information of customers- 0
- c. Impact, if any, of the data breaches- Not Applicable

Note: The reasonable assurance of the above BRSR Core Metric was carried out by SGS India Pvt. Ltd.

**Leadership Indicators**

**1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**

As part of our commitment to ensuring seamless customer experiences, we have designed a comprehensive digital journey for customers that spans from the initial sourcing to final decision-making, card issuance, and beyond. We maintain a strong presence across various digital platforms, ensuring our customer needs are met promptly through our 24x7 digital self-service portals. Our mobile application (iOS and android) allows a streamlined end-to-end digital onboarding journey for users.

Additionally, 'Sales24' has developed as a fully integrated digital platform for credit card services. We've also launched an E-Card; our proprietary instant e-credit card designed for 'no touch' payments, which facilitates a hassle-free user experience.

For more information about the products, offers, rewards, kindly explore at- Credit Card - Best Credit Cards in India & their Types | SBI Card

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

SBI Card is committed to fairness, transparency, and honesty in the provision of its products and services. The company has adopted and implemented a Fair Practice Code, as per the guidelines of the Reserve Bank of India. This Code has been approved by the company's Board of Directors and is available on the website in English as well as in eight regional languages for better awareness Our Fair Practice Code | SBI Card.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Communication with customers and stakeholders is of utmost importance for the us. Hence, we have employed various modes such as the Interactive Voice Response (IVR) system, official website, and mobile application. In the event of any process disruption, we keep our customers informed promptly via SMS notifications.

**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)**

- As a credit card issuer, our product information isn't on a physical label, but available at various touchpoints, such as on our website, application forms, and welcome kits.
- We align with the Reserve Bank of India's guidelines to provide thorough and pertinent information about our cards at all stages and contact points.
- Our interactions are transparent and clear. For instance, our sales representatives inform prospects about the "Most Important Terms and Conditions" (MITC) along with other product-related specifications.
- We adhere to a Fair Practice Code, and comprehensive information about different card types and their features is shared, empowering customers to make educated decisions.
- Customers give their consent to our terms and conditions. We then reiterate all relevant details while onboarding.
- Every new customer receives a Welcome Kit with the card, including crucial card-related information, the MITC, and a cardholder agreement.
- Detailed information about each card variant, including product features, service charges, and fees, can be found on our website.
- Via e-mails, SMS alerts, and social media platforms like our website, mobile app, and Facebook, we continually foster awareness on beneficial practices.
- We regularly assess the customer experience through our internal Transactional CSAT process, which helps us make improvements based on customer feedback.

SBI Card is a customer-centric organisation dedicated to driving process improvements through regular customer feedback and interaction.

**For and on behalf of the Board**

Date: July 16, 2024  
Place: Mumbai

**Dinesh Khara**  
Chairman  
DIN: 06737041

## INDEPENDENT REASONABLE ASSURANCE STATEMENT

Independent Reasonable Assurance Statement to SBI Cards and Payment Services Limited on its BRSR for the FY 2023-24

**The Board of Directors,  
SBI Cards and Payment Services Limited,**  
2<sup>nd</sup> Floor, Tower-B, Infinity Towers DLF Cyber City,  
Block 2, Building 3 DLF Phase 2, Gurugram  
Haryana 122002, India

### NATURE OF THE ASSURANCE

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by SBI Cards and Payment Services Limited (the 'Company' or 'SBI Cards') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Report') pertaining to the reporting period of April 1, 2023, to March 31, 2024. The Report has been prepared following the National Guidelines for Responsible Business Conduct of the BRSR Framework, covering the performance of the Company across environmental, social, and governance (ESG) indicators. This reasonable assurance engagement was conducted in accordance with "International Standard on Assurance Engagements (ISAE) 3000 (Revised)".

### RESPONSIBILITIES

The information in the report and its presentation are the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope. The Company holds the responsibility for preparing and ensuring the fair representation of the assurance scope.

### ASSURANCE STANDARD

SGS has conducted Reasonable level Assurance w.r.t BRSR core parameters under 9 ESG Attributes with reference to the Securities and Exchange Board of India's BRSR Core – Framework for Assurance and ESG Disclosures issued vide circular no. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Assurance Engagements other than Audits or Reviews of Historical Financial Information). Our evidence-gathering procedures were designed to obtain a 'Reasonable' level of assurance, which is a high level of assurance but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

### SCOPE OF ASSURANCE

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Core Indicators (KPIs) within the report for the period April 1, 2023, to March 31, 2024. The reporting scope and boundaries includes 9 branches located in 8 states of India. The assurance covered the following sample locations for the assessment:

- SBIC Gurugram office (Head office)
- SBIC Chennai office

### ASSURANCE METHODOLOGY

The assurance comprised a combination of desk research, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of its comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core KPIs and assessed the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

### LIMITATIONS

SGS India did not come across any limitation to the agreed scope of the assurance engagement for BRSR Core indicators. SGS India verified data on a sample basis; the responsibility for the authenticity of data entirely lies with the Company. Any dependence placed by any person or third party on the BRSR Report w.r.t BRSR Core indicators is entirely at its own risk. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

### FINDINGS AND CONCLUSIONS

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report, on the specified KPIs (listed below) is accurate, reliable, has been fairly stated in all material respects, and is prepared in line with the BRSR requirements.

The list of BRSR Core Indicators that were verified within this assurance engagement is given below:

S. No.	BRSR Core Attribute	BRSR Core Indicator
1	Greenhouse gas (GHG) footprint	≈ Total Scope 1 emissions
		≈ Total Scope 2 emissions
		≈ GHG Emission Intensity (Scope 1 +2)
2	Water footprint	≈ Total water consumption
		≈ Water consumption intensity
		≈ Water Discharge by destination and levels of Treatment
3	Energy footprint	≈ Total energy consumed
		≈ % of energy consumed from renewable sources
		≈ Energy intensity
4	Embracing circularity	≈ Plastic waste
		≈ E-waste
		≈ Bio-Medical Waste
		≈ Construction and Demolition waste
		≈ Battery waste
		≈ Other hazardous waste
		≈ Other non-hazardous waste
		≈ Total waste generated
		≈ Waste intensity
		≈ Total waste recovered through recycling, re-using or other recovery operations
≈ Total waste disposed by nature of disposal method		
5	Employee well-being and safety	≈ Spending on measures towards well-being of employees as a % of total revenue of the Company
		≈ Details of safety related incidents for employees
6	Enabling gender diversity in business	≈ Gross wages paid to females as % of wages paid
		≈ Complaints on POSH
7	Enabling inclusive development	≈ Input material sourced from MSMEs/ small producers as % of total purchases
		≈ Job creation in smaller towns - Wages paid to persons employed in smaller towns as % of total wage cost
8	Fairness in engaging with customers and suppliers	≈ Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events
		≈ Number of days of accounts payable
9	Open-ness of business	≈ Concentration of purchases & sales done with trading houses, dealers, and related parties
		≈ Loans and advances & investments with related parties

## STATEMENT OF INDEPENDENCE AND COMPETENCE

SGS India affirms our independence from SBI Cards and Payment Services Limited, being free from bias and conflicts of interest with the organisation, its subsidiaries, and stakeholders. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which provides a comprehensive framework that guides assurance practitioners in maintaining professional integrity, objectivity, and ethical conduct. The assurance team has the required competencies and experience to conduct this engagement.

For and on behalf of SGS India Private Limited

**Ashwini K. Mavinkurve,**  
Head – ESG & Sustainability Services,  
Pune, India  
July 1<sup>st</sup>, 2024

## 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 organisation 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, 2024, of which one is Executive Director and eight are Non-Executive Directors (NED); out of eight NEDs, five are Independent Directors (IND). Eleven Board Meetings were held during the twelve months period from April 1, 2023 to March 31, 2024 i.e., on April 28, 2023, June 5, 2023, July 10, 2023, July 28, 2023, September 13, 2023, October 27, 2023, December 21, 2023, January 25, 2024, February 29, 2024, March 16, 2024 and March 19, 2024. Attendance and other details as on March 31, 2024 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 <sup>s</sup>	Committee Memberships <sup>**</sup>	Committee Chairmanships <sup>**</sup>	
1	<b>Mr. Dinesh Khara</b> (DIN: 06737041)	Chairman, Non-Executive, Non-Independent Director (Nominee of SBI)	11	Yes	6	0	0	1. State Bank of India (Chairman - Executive) 2. SBI Life Insurance Company Limited (Chairman, Non-Executive - Nominee Director)
2	<b>Mr. Ashwini Kumar Tewari</b> (DIN: 08797991)	Non-Executive, Non-Independent Director (Nominee of SBI)	3	NA	6	3	0	1. State Bank of India (Managing Director) 2. SBI Life Insurance Company Limited (Non-Executive - Nominee Director)
3	<b>Mr. Abhijit Chakravorty</b> (DIN: 09494533)	Executive, Non-Independent Director (Nominee of SBI)	7	NA	0	0	0	--
4	<b>Mr. Nitin Chugh</b> (DIN: 01884659)	Non-Executive, Non-Independent Director (Nominee of SBI)	6	NA	0	0	0	--
5	<b>Dr. Tejendra Mohan Bhasin</b> (DIN: 03091429)	Non-Executive, Independent Director	11	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)
6	<b>Mr. Rajendra Kumar Saraf</b> (DIN: 02730755)	Non-Executive, Independent Director	10	Yes	1	1	0	--

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 <sup>§</sup>	Committee Memberships <sup>**</sup>	Committee Chairmanships <sup>**</sup>	
7	<b>Mr. Dinesh Kumar Mehrotra</b> (DIN: 00142711)	Non-Executive, Independent Director	11	Yes	3	3	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	<b>Ms. Anuradha Nadkarni</b> (DIN: 05338647)	Non-Executive, Independent Director	10	Yes	0	0	0	--
9	<b>Mr. Shrinivas Yeshwant Joshi</b> (DIN: 05189697)	Non-Executive, Independent Director	11	Yes	1	0	0	--

**Note:**

SBI- State Bank of India (Equity Investor)

- Mr. Swaminathan Janakiraman (DIN: 08516241) Non-Executive, Non-Independent Director (Nominee of SBI) ceased to be the director of the Company w.e.f. June 26, 2023.
- Mr. Mihir Narayan Prasad Mishra (DIN: 08321878) Non-Executive, Non-Independent Director (Nominee of SBI) ceased to be the director of the Company w.e.f. July 31, 2023.
- Mr. Rama Mohan Rao Amara (DIN: 08951394), Managing Director & CEO (Nominee of SBI) ceased 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) was appointed as Managing Director & CEO (Nominee of SBI) of the Company w.e.f. August 12, 2023.
- Mr. Debangshu Munshi (DIN: 10242136) was appointed as Non-Executive, Non-Independent Director (Nominee of SBI) of the Company w.e.f. July 28, 2023. Further, Mr. Debangshu Munshi ceased to be the director of the Company w.e.f. close of business hours on January 4, 2024.
- Mr. Nitin Chugh (DIN: 01884659) was appointed as Non-Executive, Non-Independent Director (Nominee of SBI) of the Company w.e.f. October 04, 2023.
- Mr. Ashwini Kumar Tewari (DIN: 08797991), was appointed as Non-Executive, Non-Independent Director (Nominee of SBI) of the Company w.e.f. January 25, 2024.

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 Listing Regulations. 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, 2024 are:, Mr. Rajendra Kumar Saraf - 38 Shares and Mr. Ashwini Kumar Tewari - 40 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, 2024:

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, 2024 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. Abhijit Chakravorty, Managing Director and CEO	✓	✓	✓
3	Mr. Ashwini Kumar Tewari, Non-Executive Director	✓	✓	✓
4	Mr. Nitin Chugh, 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. Shriniwas 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 26, 2024. Mr. Rajendra Kumar Saraf 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, 2024 to the Executive Directors is as follows:
- Mr. Rama Mohan Rao Amara, Managing Director & Chief Executive Officer - ₹ 0.49 Crores (inclusive of PLI for FY23 paid in FY24, amounting to ₹ 0.16 Crores)
  - Mr. Abhijit Chakravorty, Managing Director & Chief Executive Officer - ₹ 0.87 Crores (no PLI for FY23 paid in FY24)

No Stock Options were granted by the Company to the above-mentioned Executive Directors.

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 ₹ 1.15 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, 2024, of the credit cards issued to Directors of the Company was ₹ 0.02 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 i.e. www.sbicard.com. 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, 2024, 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. Shriniwas Yeshwant Joshi, Chairman of the Committee is a professional Chartered Accountant with strong financial analysis background.

Eleven meetings of the Audit Committee were held during the financial year ended March 31, 2024. Dates of the meetings are: April 19, 2023, April 28, 2023, June 14, 2023, July 10, 2023, July 28, 2023, September 13, 2023, October 27, 2023, December 20, 2023, January 25, 2024, February 22, 2024 and March 19, 2024. 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. Shriniwas Yeshwant Joshi, Chairman	11	11
2	Dr. Tejendra Mohan Bhasin	11	11
3	Mr. Rajendra Kumar Saraf	11	10
4	Ms. Anuradha Nadkarni	11	11
5	Mr. Ashwini Kumar Tewari <sup>^</sup>	2	2
6	Mr. Mihir Narayan Prasad Mishra <sup>*</sup>	5	4
7	Mr. Debangshu Munshi <sup>#</sup>	3	1

\* Mr. Mihir Narayan Prasad Mishra was ceased to be the Member of the Committee w.e.f. July 31, 2023.

# Mr. Debangshu Munshi was inducted in the Committee w.e.f. August 1, 2023. Further, Mr. Munshi was ceased to be the Member of the Committee w.e.f. the Close of business hours on January 4, 2024.

<sup>^</sup> Mr. Ashwini Kumar Tewari was inducted in the Committee w.e.f. January 25, 2024.

### Nomination and Remuneration Committee:

As on March 31, 2024, the Committee consists of five Directors, out of which four are Non-executive Independent Directors and one is Non-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, Regulation 19 of the Listing Regulations and the NBFC Regulations.

Seven meetings of the Nomination and Remuneration Committee were held during the financial year ended March 31, 2024. Dates of the meetings are: April 12, 2023, June 5, 2023, July 10, 2023, October 18, 2023, December 21, 2023, January 19, 2024 and February 29, 2024. 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	7	7
2	Mr. Rajendra Kumar Saraf	7	7
3	Mr. Shriniwas Yeshwant Joshi	7	7
4	Ms. Anuradha Nadkarni	7	6
5	Mr. Ashwini Kumar Tewari <sup>^</sup>	1	1
6	Mr. Swaminathan Janakiraman <sup>@</sup>	2	2
7	Mr. Mihir Narayan Prasad Mishra <sup>*</sup>	3	1
8	Mr. Debangshu Munshi <sup>#</sup>	2	1

<sup>@</sup> Mr. Swaminathan Janakiraman was ceased to be the Member of the Committee w.e.f. June 26, 2023.

\* Mr. Mihir Narayan Prasad Mishra was ceased to be the Member of the Committee w.e.f. July 31, 2023.

# Mr. Debangshu Munshi was inducted in the Committee w.e.f. August 1, 2023. Further, Mr. Munshi was ceased to be the Member of the Committee w.e.f. the close of business hours on January 4, 2024.

<sup>^</sup> Mr. Ashwini Kumar Tewari was inducted in the Committee w.e.f. January 25, 2024.

## 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 organisation, 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, 2024 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, 2024, the Committee consists of three Directors, out of which two are Non-executive Independent Director, and one is Executive 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, 2024. Dates of the meetings are: September 12, 2023, December 20, 2023 and February 21, 2024. 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. Abhijit Chakravorty <sup>^</sup>	3	3
4	Mr. Debangshu Munshi <sup>#</sup>	2	1
5	Mr. Rama Mohan Rao Amara <sup>^</sup>	-	-
6	Mr. Mihir Narayan Prasad Mishra <sup>*</sup>	-	-

\* Mr. Mihir Narayan Prasad Mishra was ceased to be the Member of the Committee w.e.f. July 31, 2023.

# Mr. Debangshu Munshi was inducted in the Committee w.e.f. August 1, 2023. Further, Mr. Munshi was ceased to be the Member of the Committee w.e.f. close of business hours on January 4, 2024.

<sup>^</sup> Mr. Rama Mohan Rao Amara ceased to be the member of the Committee w.e.f. the Close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty was inducted in the Committee w.e.f. August 12, 2023.

- number of shareholders' complaints received during the Financial Year ended March 31, 2024: **541**
- number of Complaints not solved to the satisfaction of shareholders: **Nil**
- number of pending complaints (as on 31.3.2024): **5**
- name and designation of compliance officer; **Ms. Payal Mittal Chhabra, Company Secretary and Compliance Officer**

Note: Number of Complaints pending as on 31.3.2024 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 three Directors, out of which two are Non-executive Independent Director, one is Executive Director, as on March 31, 2024. 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, 2024, Five meetings of the Corporate Social Responsibility and ESG Committee were held. Date of the meetings are: May 30, 2023, July 10, 2023, September 12, 2023, December 20, 2023 and February 21, 2024. 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	5	5
2	Mr. Dinesh Kumar Mehrotra	5	5
3	Mr. Abhijit Chakravorty <sup>^</sup>	3	3
4	Mr. Debangshu Munshi <sup>#</sup>	2	1
5	Mr. Rama Mohan Rao Amara <sup>^</sup>	2	2
6	Mr. Mihir Narayan Prasad Mishra <sup>*</sup>	2	2

\* Mr. Mihir Narayan Prasad Mishra was ceased to be the Member of the Committee w.e.f. July 31, 2023.

# Mr. Debangshu Munshi was inducted in the Committee w.e.f. August 1, 2023. Further, Mr. Munshi was ceased to be the Member of the Committee w.e.f. close of business hours on January 4, 2024.

<sup>^</sup> Mr. Rama Mohan Rao Amara ceased to be the member of the Committee w.e.f. the Close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty was 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 Director, as on March 31, 2024. 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, 2024, Five Meetings of the Risk Management Committee were held. Date of the meetings are: May 30, 2023, September 4, 2023, September 26, 2023, December 21, 2023, and February 15, 2024. 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	Ms. Anuradha Nadkarni	5	5
3	Mr. Abhijit Chakravorty <sup>^</sup>	4	3
4	Mr. Nitin Chugh <sup>@</sup>	-	-
5	Mr. Debangshu Munshi <sup>#</sup>	3	2
6	Mr. Rama Mohan Rao Amara <sup>^</sup>	1	1
7	Mr. Mihir Narayan Prasad Mishra <sup>*</sup>	1	1

\* Mr. Mihir Narayan Prasad Mishra was ceased to be the Member of the Committee w.e.f. July 31, 2023.

# Mr. Debangshu Munshi was inducted in the Committee w.e.f. August 1, 2023. Further, Mr. Munshi was ceased to be the Member of the Committee w.e.f. close of business hours on January 4, 2024.

<sup>^</sup> Mr. Rama Mohan Rao Amara ceased to be the member of the Committee w.e.f. the Close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty was inducted in the Committee w.e.f. August 12, 2023.

<sup>@</sup> Mr. Nitin Chugh was inducted in the Committee w.e.f. February 16, 2024.

### 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, 2024, 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 Director. The composition and the 'Terms of Reference' of the Committee is also available on the website of the Company at www.sbcard.com.

During the financial year ended March 31, 2024, two Meetings of the Executive Committee were held. Date of the meetings are: June 5, 2023 and December 20, 2023. 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. Ashwini Kumar Tewari, Chairman <sup>*</sup>	-	-
2	Mr. Dinesh Kumar Mehrotra	2	2
3	Ms. Anuradha Nadkarni	2	2
4	Mr. Abhijit Chakravorty <sup>^</sup>	1	1
5	Mr. Swaminathan Janakiraman, Chairman <sup>*</sup>	1	0
6	Mr. Rama Mohan Rao Amara <sup>^</sup>	1	1

\* Mr. Swaminathan Janakiraman ceased to be the Chairman and Member of the Committee w.e.f. June 26, 2023. Mr. Ashwini Kumar Tewari was inducted in the Committee and appointed as the Chairman of the Committee w.e.f. January 25, 2024.

<sup>^</sup> Mr. Rama Mohan Rao Amara ceased to be the member of the Committee w.e.f. the Close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty was 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](http://www.sbicard.com).

During the financial year ended March 31, 2024, three Meetings of the IT Strategy Committee were held. Date of the meetings are April 10, 2023, July 26, 2023 and January 16, 2024. All the Members of the Committee as on the date of the said meetings attended the said meetings (except on April 10, 2023 and January 16, 2024, Deputy Chief Executive Officer was unable to attend the meetings).

The composition of the Committee as on March 31, 2024 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. Abhijit Chakravorty, Managing Director & CEO	Member
4	Deputy Chief Executive 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 ceased to be the member of the Committee w.e.f. the close of business hours on August 11, 2023. Further, Mr. Abhijit Chakravorty was inducted in the Committee w.e.f. August 12, 2023.
- Mr. Nitin Chugh was inducted in the Committee w.e.f. April 26, 2024.
- Mr. Amritesh Mohan, Deputy Chief Executive officer ceased to be the Member of the Committee w.e.f. the close of business hours on July 05, 2024.

## ANNUAL GENERAL MEETINGS

The date and time of the Annual General Meetings held during last three years and the special resolution(s) passed thereat, are as follows

Date	Venue	Time	Special Resolution(s) Passed
August 9, 2023	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 <sup>th</sup> Floor, Aggarwal Millennium Tower, E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi - 110034	11:30 A.M.	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Shrinivas Yeshwant Joshi (DIN: 05189697) as an Independent Director of the Company.</li> <li>To consider and approve Alteration in the Articles of Association of the Company.</li> <li>To consider and approve matter of authorisation to borrow money in excess of paid up capital and free reserves.</li> <li>To consider and approve matter of authorisation to the Board to mortgage /create charge on the assets of the Company for its borrowings.</li> </ol>
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 <sup>th</sup> Floor, Aggarwal Millennium Tower, E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi - 110034	11:00 A.M.	<ol style="list-style-type: none"> <li>Re-appointment of Mr. Dinesh Kumar Mehrotra (DIN: 00142711) as an Independent Director of the Company.</li> <li>Re-appointment of Ms. Anuradha Nadkarni (DIN: 05338647) as an Independent Director of the Company.</li> </ol>
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 <sup>th</sup> Floor, Aggarwal Millennium Tower, E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi - 110034	11:00 A.M.	None

**POSTAL BALLOT**

During the year under review, four Postal Ballots were conducted by the Company for seeking the approval of the Members. The details of the Postal Ballot conducted are mentioned below:

**Postal Ballot 1:**

Date of Postal Ballot Notice: June 19, 2023

Voting period: June 24, 2023 (from 10.00 A.M.) to July 23, 2023 (till 5.00 P.M.)

Date of Declaration of Results: July 24, 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 SBI Card Employee Stock Plan 2023	Special Resolution	881934490	837226743	94.93	44707747	5.07

**Postal Ballot 2:**

Date of Postal Ballot Notice: September 13, 2023

Voting period: September 21, 2023 (from 10.00 A.M.) to October 20, 2023 (till 5.00 P.M.)

Date of Declaration of Results: October 20, 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	Appointment of Mr. Debangshu Munshi (DIN: 10242136) as a Nominee Director	Ordinary Resolution	875298804	834298755	95.32	41000049	4.68

**Postal Ballot 3:**

Date of Postal Ballot Notice: November 24, 2023

Voting period: November 30, 2023 (from 10.00 A.M.) to December 29, 2023 (till 5.00 P.M.)

Date of Declaration of Results: December 29, 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	Appointment of Mr. Nitin Chugh (DIN: 01884659) as a Nominee Director	Ordinary Resolution	868418449	813215459	93.64	55202990	6.36

**Postal Ballot 4:**

Date of Postal Ballot Notice: March 19, 2024

Voting period: March 21, 2024 (from 10.00 A.M.) to April 19, 2024 (till 5.00 P.M.)

Date of Declaration of Results: April 19, 2024

**Voting Pattern:**

Item No.	Description	Type of Resolution	No. of Votes Polled	Votes in Favour		Votes Against	
				No. of Votes	%	No. of Votes	%
1	Appointment of Mr. Ashwini Kumar Tewari (DIN: 08797991) as a Nominee Director	Ordinary Resolution	866147877	809269164	93.43	56878713	6.57

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 Scrutiniser 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](http://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](http://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

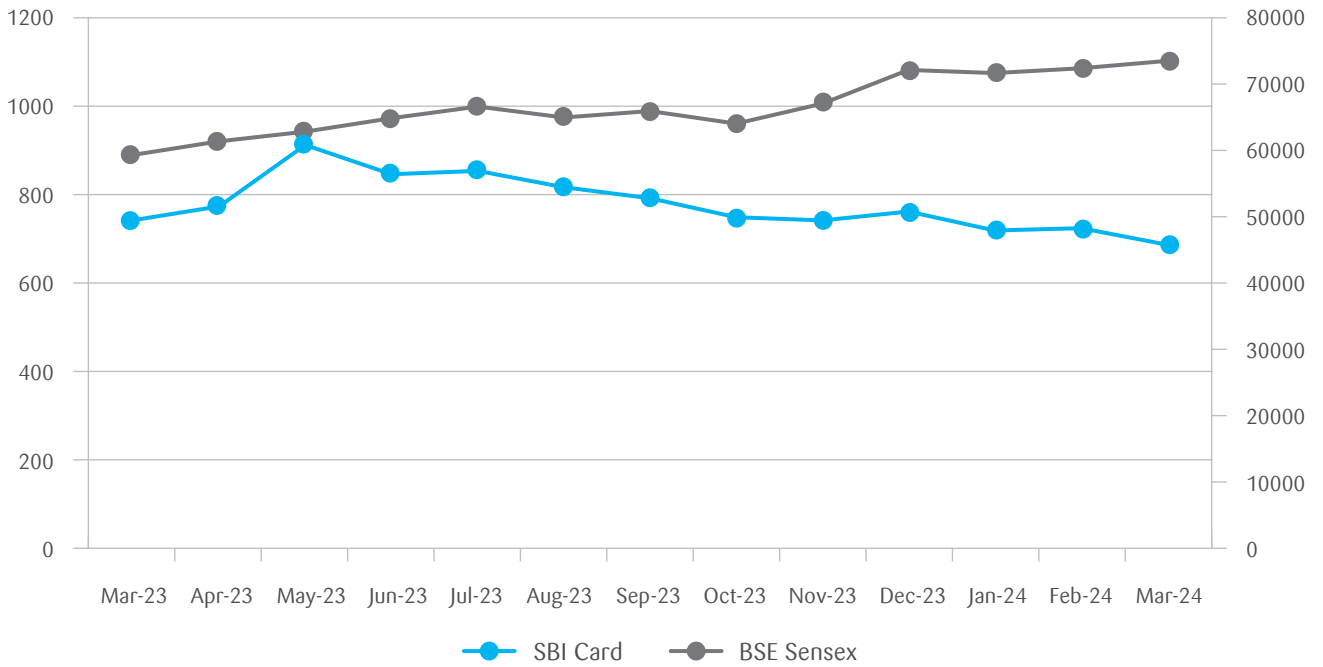
Annual General Meeting - Date, Time and Venue	Friday, August 9, 2024 at 11.00 a.m. through video /other permissible audio-visual means. Deemed Venue for Meeting: Registered Office: Unit 401 & 402, 4 <sup>th</sup> Floor, Aggarwal Millennium Tower E-1,2,3, Netaji Subhash Place, Wazirpur, New Delhi 110 034, India;
Financial Year	01.04.2023 to 31.03.2024
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"> <li>• The Equity Shares of the Company are listed on the following Stock Exchanges:                             <ul style="list-style-type: none"> <li>(i) BSE Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</li> <li>(ii) National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051</li> </ul> </li> <li>• The Non-Convertible Debentures of the Company are listed on BSE. The annual listing fees for the financial year 2023-24 have been paid to both the aforesaid Stock Exchanges.</li> </ul> <p>The securities of the Company are not suspended from trading.</p>
Stock Code;	BSE – 543066; NSE – SBICARD; ISIN – INE018E01016

### STOCK MARKET PRICE DATA

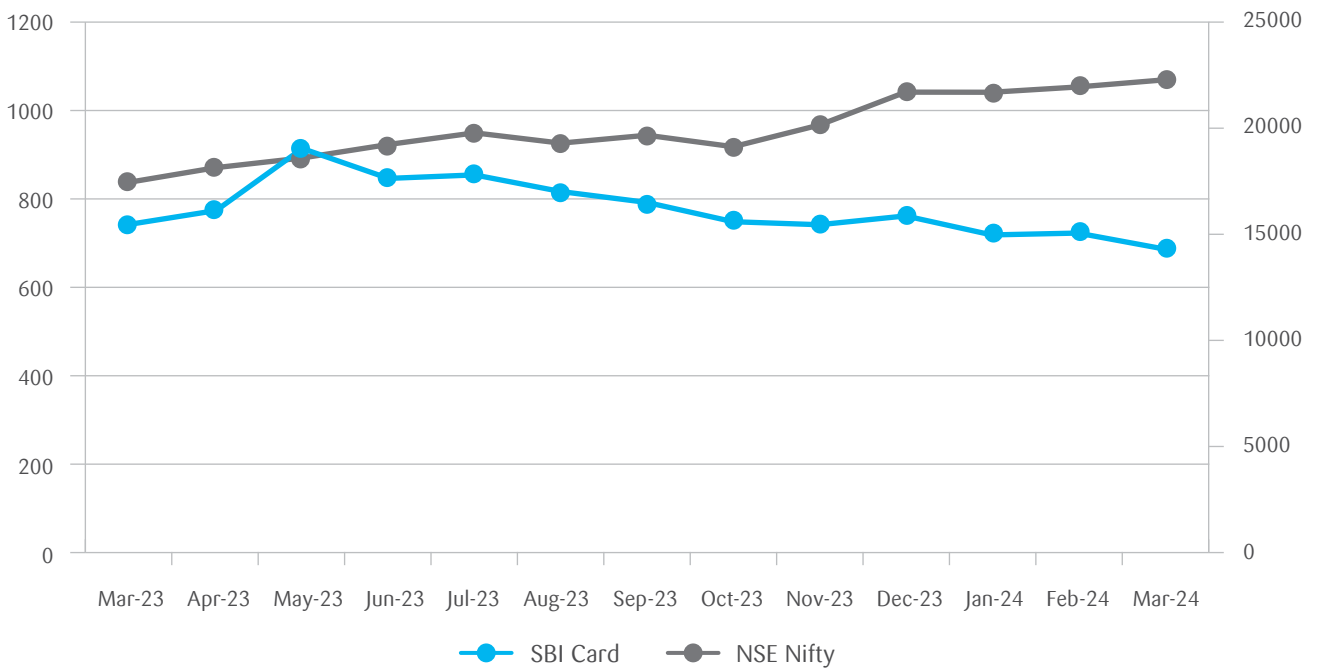
Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2023	789.90	733.55	789.90	733.55
May 2023	929.00	754.00	928.85	752.30
June 2023	932.35	830.10	933.00	834.40
July 2023	884.55	822.00	883.90	822.00
August 2023	892.75	814.30	892.85	814.50
September 2023	857.90	780.05	857.80	780.00
October 2023	811.75	732.05	811.85	731.25
November 2023	776.00	720.40	775.75	720.80
December 2023	788.70	738.65	788.80	739.00
January 2024	780.60	706.00	780.95	705.60
February 2024	751.00	699.15	751.60	699.00
March 2024	729.95	678.80	725.00	678.90

SBI Cards and Payment Services Ltd.'s Share Performance v/s BSE Sensex and NSE Nifty

SBI Card's share price versus the BSE Sensex



SBI Card's share price versus the NSE Nifty



## 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, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083  
 Maharashtra, India  
 Telephone: +91 810 811 6767  
 Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Website: [www.linkintime.co.in](http://www.linkintime.co.in)

### FOR DEBT:

#### Zuari Finserv Limited

Plot no.2, Zamrudpur Community Centre, Kailash Colony Extension, New Delhi-110048  
 Telephone: 011-41697900,  
 Email: [rta@adventz.zuarimoney.com](mailto:rta@adventz.zuarimoney.com)  
 Website: [www.zuarimoney.com](http://www.zuarimoney.com)

## DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2024 [FACE VALUE OF ₹ 10/- EACH];

Sr. No	Shareholding Range	Number of Shareholders	% of Total Shareholders	Shares	% of Total Share Capital
1	1 to 500	1047129	98.96	36104219	3.80
2	501 to 1000	6668	0.63	4848574	0.51
3	1001 to 2000	2314	0.22	3296791	0.35
4	2001 to 3000	609	0.06	1511646	0.16
5	3001 to 4000	244	0.02	857031	0.09
6	4001 to 5000	144	0.01	662454	0.07
7	5001 to 10000	319	0.03	2306343	0.24
8	10001 to above	669	0.06	901381461	94.79
<b>TOTAL :</b>		<b>1058096</b>	<b>100</b>	<b>950968519</b>	<b>100</b>

## DEMATERIALIZATION OF SHARES AND LIQUIDITY:

Trading in the Equity Shares of the Company is permitted only in dematerialised form. As on March 31, 2024, all the Equity Shares were held in dematerialised form except Fifty 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, 2024 – 12,26,715 (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

2<sup>nd</sup> 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](mailto:investor.relations@sbicard.com)  
 Website: [www.sbicard.com](http://www.sbicard.com)

### Link Intime India Private Limited

#### (Registrar & Share Transfer Agent)

C-101, 1<sup>st</sup> Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra,  
 India Contact Person: Mr. Mahesh Masurkar  
 Telephone: +91 810 811 6767  
 Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Website: [www.linkintime.co.in](http://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, 2<sup>nd</sup> Floor, SW, 29 Senapati Bapat Marg, Dadar west, Mumbai – 400 028**Contact:** 022- 62300431 **Fax:** 022- 24254200**Contact Person:** Chief Operating Officer**Email:** debenturetrustee@axistrustee.com**Website:** www.axistrustee.com**SEBI Registration No.:** IN000000494**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 MOBILISATION OF FUNDS, WHETHER IN INDIA OR ABROAD:**

The credit ratings of the company as at the end of March 31, 2024 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, 2024, there were no revisions in the Credit Rating 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 with 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://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 victimisation 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](http://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 (India) 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:

- number of complaints filed during the financial year – Nil
- number of complaints disposed off during the financial year – Nil
- number of complaints pending as on end of the financial year – Nil

- 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, 2024, 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 utilisation 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 3, 2024 from CS Anjali, (ACS 65330, COP No. 26496) Partner, M/s. Agarwal S. & Associates, Company Secretaries, certifying that none of the Directors on the Board of the Company as on the Financial Year ended March 31, 2024 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, 2024.**

- 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, 2024, the Company has paid total fees for various services including statutory audit, amounting to ₹ 0.76 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, 2024 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 FY23-24	Balance as on March 31, 2024
1	State Bank of India	0.63	0.05
2	SBI Life Insurance Co Limited	0.02	0.00
3	SBI General Insurance Company Limited	2.98	0.22
4	SBI Funds Management Private Limited	2.54	0.12
5	SBI Capital Markets Limited	0.03	0.00
6	SBICAP Securities Limited	0.98	0.04
7	SBICAP Ventures Limited	0.03	0.00
8	SBI DFHI Limited	0.07	0.01
9	Indian Bank Association	0.07	0.01
10	SBI SG Global Securities Services Private Limited	0.21	0.03
11	SBI Global Factors Limited	0.11	0.00
12	SBI Payment Services Private Limited	0.07	0.00

- 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 or the 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, 2024 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, 2023	4	76
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	-	-
3	Number of shareholders to whom shares were transferred from suspense account during the year	-	-
4	Aggregate Number of shareholders and the outstanding shares lying unclaimed as on March 31, 2024	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 March 31, 2024)

Sl. No.	Name	Designation
1.	Mr. Abhijit Chakravorty <sup>^</sup>	Managing Director & CEO
2.	Mr. Amrutesh Mohan <sup>@</sup>	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 <sup>#</sup>	Executive Vice President & Chief Risk Officer
6.	Mr. Manish Dewan	Executive Vice President & Head- Customer Services
7.	Ms. Anita Richard Sontumyra <sup>*</sup>	Executive Vice President & Chief People Officer
8.	Mr. Ved Prakash	Executive Vice President & Head – Internal Audit
9.	Mr. Pradeep Khurana	Executive Vice President & Chief Information and Digital Officer
10.	Ms. Rinku Sharma	Executive Vice President & Chief Compliance Officer
11.	Mr. Vishal Singh	Executive Vice President & Head Consumer Sales
12.	Ms. Nandini Malhotra	Executive Vice President & Chief Credit Officer

**Changes in the Senior Management Team during FY 2023-24**

- # Mr. Shantanu Srivastava was appointed as the Executive Vice President & Chief Risk Officer of the Company w.e.f. April 21, 2023.
- @ Mr. Amrutesh Mohan, Chief Operating Officer has been re-designated as the Deputy Chief Executive Officer of the Company w.e.f. July 10, 2023.
- \* Ms. Seema Kapahi, Executive Vice President & Chief People Officer ceased to be the Executive Vice President & Chief People Officer, w.e.f. July 14, 2023. Further, Ms. Anita Richard Sontumyra, was appointed as the Executive Vice President & Chief People Officer of the Company w.e.f. July 15, 2023.
- <sup>^</sup> Mr. Rama Mohan Rao Amara, Managing Director & CEO of the Company ceased 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) was appointed as Managing Director & CEO of the Company for a period of two years w.e.f. Saturday, August 12, 2023.
- Mr. Amit Batra ceased to be an employee of the Company w.e.f. December 26, 2023.

**NOTE:**

1. Mr. Ashutosh Kumar Sharma has been appointed as Chief Operating Officer of the Company w.e.f. June 21, 2024.
  2. Mr. Amritesh Mohan, Deputy Chief Executive Officer of the Company has resigned w.e.f the close of business hours on July 05, 2024.
- 18. 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

Date: July 16, 2024  
Place: Mumbai

## **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, 2024, have affirmed compliance with the Code of Conduct for the Company's Board of Directors and Senior Management Team.

**Abhijit Chakravorty**  
Managing Director & CEO  
DIN: 09494533

## 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, 4<sup>th</sup> 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 31<sup>st</sup> March, 2024. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to review of procedures and implementations 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 Agarwal S. & Associates,  
Company Secretaries**

ICSI Unique Code: P2003DE049100  
Peer Review Cert. No.: 2725/2022

**CS Sachin Agarwal**

Partner  
FCS No.: 5774  
C.P No.: 5910  
UDIN: F005774F000748494

Date: July 16, 2024  
Place: New 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 No. 401 & 402, 4<sup>th</sup> 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** having **CIN:L65999DL1998PLC093849** and having registered office at **Unit No. 401 & 402, 4<sup>th</sup> 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](http://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, 2024 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	Mr. Dinesh Khara	06737041	01.11.2016
2	Mr. Ashwini Kumar Tewari	08797991	25.01.2024
3	Mr. Abhijit Chakravorty	09494533	12.08.2023
4	Mr. Nitin Chugh	01884659	04.10.2023
5	Dr. Tejendra Mohan Bhasin	03091429	28.06.2019
6	Mr. Rajendra Kumar Saraf	02730755	14.08.2019
7	Mr. Dinesh Kumar Mehrotra	00142711	14.11.2019
8	Ms. Anuradha Nadkarni	05338647	14.11.2019
9	Mr. Shrinivas Yeshwant Joshi	05189697	04.12.2020

Ensuring the eligibility of 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 Agarwal S. & Associates.**

**Company Secretaries**

ICSI Unique Code: P2003DE049100

Peer Review Cert. No.: 2725/2022

**CS Anjali**

Partner

ACS No. 65330

CP-No-26496

UDIN: A065330F000520268

Date: June 03, 2024

Place: New 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, 2024, 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 material accounting policies information 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, 2024, 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 evidences 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><b>Assessment of impairment loss allowance based on expected credit loss (ECL) on Loans (Refer Note 38 of the financial statements)</b></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 recognised. 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 recognised for stage 2 and stage 3 Loans. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.</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> <ul style="list-style-type: none"> <li>(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.;</li> <li>(b) the completeness and accuracy of source data used by the Management for ECL computation; and,</li> <li>(c) ECL computations for their reasonableness.</li> </ul>



# Independent Auditor's Report

Sr. No.	Key Audit Matters	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, deterioration in credit quality 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 inherent judgmental nature, the complexity of model involved, 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 categorisation 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 evaluated the reasonableness of judgement involved in management's overlays that form part of the impairment provision, and the related approvals.</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>
2	<p><b>Performing an audit in an Automated environment that is driven by IT systems &amp; applications.</b></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"> <li>• Ensured that systems are developed, configured and implemented to meet financial reporting objectives.</li> <li>• Assessed User Access Management i.e., process of identifying, tracking, controlling and managing a specified users' access to an IT system.</li> <li>• Covered logics &amp; controls over reports used in business which are system driven.</li> </ul> <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.

## Independent Auditor's Report

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.

### 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 also responsible for overseeing the Company's financial reporting process.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material 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(s).
- 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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.
- (iv) The Company has declared interim dividend during the year which is in accordance with Section 123 of the Act.
- (v) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.
- (vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, audit trail is applicable from April 01, 2023, hence, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention would be relevant from the subsequent year i.e., Financial Year 2024-25.

For **Ambani & Associates LLP**  
Chartered Accountants  
FRN: 016923N

**CA. Hitesh Ambani**  
Partner  
Membership No. 506267  
UDIN: 24506267BJZYAR1208  
Place: Gurugram  
Date: April 26, 2024

For **Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**CA. Rajat Jain**  
Partner  
Membership No. 413515  
UDIN: 24413515BKCNU3953  
Place: Gurugram  
Date: April 26, 2024

# 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 (the Company) 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:

- 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;
- 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, 2024 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
- 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 non-deposit accepting Systemically Important Non-Banking Financial Company (NBFC-ND-SI) registered with Reserve Bank of India (RBI) 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) The Company is a non-banking financial company engaged in the business of issuing credit card to customers. In respect of loans and advances in the nature of loans, the schedule of repayment of principal and interest payment for EMI portion of portfolio is stipulated, rest of the portfolio is Non EMI portion which do not constitute any schedule of repayment. Having regard to the nature of the company’s business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India (“RBI”) for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 8, 38.1.2 (as disclosed below) and 59.6 to the financial statements), the parties in general are repaying the principal amounts and are also generally regular in payment of interest, as applicable.

## Annexure “1” to Independent Auditors’ Report

### Details of loans and ECL as at March 31, 2024

(₹ in Crores)

Portfolio Segment	Loans			Impairment loss allowance		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	10.71	0.03	-	-	-	-
Corporate - Unsecured	165.19	0.00	-	2.63	-	-
Retail - Secured	257.79	5.45	0.55	1.34	0.07	0.13
Retail - Unsecured	46,105.44	2,896.74	1,403.69	723.98	127.36	911.12
<b>Gross Exposure</b>	<b>46,539.14</b>	<b>2,902.22</b>	<b>1,404.23</b>	<b>727.96</b>	<b>127.43</b>	<b>911.25</b>

- (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. 57.7]

Number of Cases (Borrowers)	Principal Balance	Interest Balance	Other Fees	Total
1,88,075	1132.55	163.16	108.52	1404.23

- (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, 2013 in respect of loans granted, investment made. The Company has given credit card advances of ₹ 0.02 Crores to Nine Directors and ₹ 0.50 Crores to thirteen related parties in the ordinary course of business. [Refer Note no. 8].

- v) The Company has not accepted any deposits or amounts referred in Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the Rules framed there under to the extent notified which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable. Further, the provisions of sub-section (1) of Section 73 are not applicable to the Company as it is a non-banking financial company registered with RBI, engaged in the business of credit card services.

- vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 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) According to the information and explanations given to us and the records of the Company examined by us, the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2024 which have not been deposited on account of a dispute, are as follows:

## Annexure “1” to Independent Auditors’ Report

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	1. Income Tax on Redemption of VISA share 2. Advertisement Expenses Disallowance	1.98	AY 2008 – 2009	High Court Delhi and Commissioner of Income Tax (Appeals)
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	11.26	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 centre 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	0.65	FY 2007-08 – FY 2008-09	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax	Service tax demand on incentive income	0.34	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	0.23*	FY 2008-09 – FY 2010-11	Custom Excise and Service Tax Appellate Tribunal, Chandigarh
Service Tax	Demand of Service tax in respect of VISA and Master card charges due to Service tax not deposited on grossed up basis	14.55*	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	0.70*	FY 2019 – 20	Commissioner (Appeals), Gujarat
Service Tax	Taxability of Interchange Income during the period and taxability of foreign currency markup earned by SBI Card	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.

- viii) According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- 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;

## Annexure “1” to Independent Auditors’ Report

- (c) The term loans were applied for the purpose for which the loans were obtained;
- (d) On an overall examination of the financial statements of the Company, 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 statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x) (a) The Company has not raised money 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 2023-24, the total amount involved in such frauds was ₹ 2.19 Crores and the recovery against this amount (pertaining to current year as well as the previous years) is ₹ 0.89 Crores.
- During the year, no employee fraud has been committed.
- (b) No report under section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to 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, 2013 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 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.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



## Annexure “1” to Independent Auditors’ Report

- 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 realisation 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 the 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(xxi) of the Order is not applicable.

For **Ambani & Associates LLP**  
Chartered Accountants  
FRN: 016923N

**CA. Hitesh Ambani**  
Partner  
Membership No. 506267  
UDIN: 24506267BJZYAR1208  
Place: Gurugram  
Date: April 26, 2024

For **Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**CA. Rajat Jain**  
Partner  
Membership No. 413515  
UDIN: 24413515BKCNU3953  
Place: Gurugram  
Date: April 26, 2024

# 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 (the “Company”) for the year ended March 31, 2024.

## Directions for the year 2023-24

Sl. No.	Particulars	Compliance of Directions
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.	<p>The Company has an integrated system in place to process all the accounting transactions through its implemented IT systems.</p> <p>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.</p>
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/ utilised 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, 2024

### 1. Investments

Whether the titles of ownership in respect of CGS/ SGS/ Bonds/ Debentures etc. Are available in physical/demat form and these, in aggregate, agree with the respective amounts shown in the Company’s books of accounts? If not, details may be stated.	<p>The Investments of the Company as on March 31, 2024 are as under:</p> <ol style="list-style-type: none"> <li>1,001 Shares Invested in SBI Foundation, allotted on January, 2017. These shares are in demat form and the amount of investment is in agreement with amount shown in Company’s books of accounts.</li> <li>1,12,996 shares invested in Online PSB Loans Limited (formerly known as Capita World Platform Pvt. Ltd.) in July, 2018. These shares are in demat form and the investment is in agreement with Company’s books of accounts.</li> <li>During the year, the Company has invested in Government Securities and T-Bills. These securities are in demat form with Bank of Baroda. As on March 31, 2024, Government Securities having face value of ₹ 2,455 Crores and T-Bills having face value of ₹ 1,145 Crores have been invested and are in agreement with Company’s books of accounts.</li> </ol>
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## Annexure “2” to Independent Auditors’ Report

2	<b>Loans</b>	In respect of provisioning requirement of all restructured, rescheduled, renegotiated loan whether a system of periodical assessment of realisable 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 loans and advances (loans) 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. As per the Company’s policy, all such loans and advances (loans) are classified as Stage 3 assets and adequate provision is created on such assets as per ECL computation against the total outstanding of such loans and advances (loans). As on March 31, 2024, all restructured loans do not have any underlying securities and total outstanding of restructured loans and advances (loans) stands at ₹ 8.71 Crores against which a provision of ₹ 5.65 Crores has been made in the books of accounts.
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 18 <sup>th</sup> 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 23, 24, as below:	
		<ol style="list-style-type: none"> <li>1. In respect of General Control specified in Paragraph 23, regarding escrow arrangement with third party vendor licensed for digital payment applications. It is noted that signing of escrow agreements with third party owned application in SBIC infrastructure is in progress. Escrow agreement will be signed by end of December 2024.</li> <li>2. 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 has received PT Report and VA report for 1<sup>st</sup> half and VA report for 2<sup>nd</sup> half is awaited in July 2024.</li> </ol>	
		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, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal controls 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

# Annexure “3” to Independent Auditors’ Report

## 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, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls 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: 24506267BJZYAR1208  
Place: Gurugram  
Date: April 26, 2024

For **Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**CA. Rajat Jain**  
Partner  
Membership No. 413515  
UDIN: 24413515BKCNU3953  
Place: Gurugram  
Date: April 26, 2024

1

Corporate Overview

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Statutory Reports

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Financial Statements

# Balance Sheet

As at March 31, 2024

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>1 Financial assets</b>			
(a) Cash and cash equivalents	5	2,482.05	989.79
(b) Bank balance other than cash and cash equivalents	6	247.57	364.68
(c) Trade receivables	7	243.08	142.16
(d) Loans	8	49,078.95	39,360.98
(e) Investments	9	3,519.13	2,139.69
(f) Other financial assets	10	330.03	416.49
<b>Total financial assets</b>		<b>55,900.81</b>	<b>43,413.79</b>
<b>2 Non- financial assets</b>			
(a) Current tax assets (net)	11	10.20	5.68
(b) Deferred tax assets (net)	12	354.61	246.67
(c) Property plant and equipment	13	58.47	60.36
(d) Capital work in progress	13	0.10	6.06
(e) Intangible assets under development	13	22.21	16.63
(f) Intangible assets	13	103.79	103.42
(g) Right-of-use assets	13	379.84	387.18
(h) Other non financial assets	14	1,341.20	1,305.77
<b>Total non-financial assets</b>		<b>2,270.42</b>	<b>2,131.77</b>
<b>Total Assets ( 1+2)</b>		<b>58,171.23</b>	<b>45,545.56</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1 Financial liabilities</b>			
(a) Derivative financial instruments	15	-	1.10
(b) Payables	16		
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		106.58	92.47
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,401.13	1,302.95
(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		20.92	10.54
(c) Debt securities	17	5,988.17	6,606.21
(d) Borrowings (other than Debt Securities)	18	31,993.21	23,142.86
(e) Subordinated liabilities	19	1,909.70	1,360.54
(f) Other financial liabilities	20	2,945.17	1,684.34
<b>Total financial liabilities</b>		<b>44,364.88</b>	<b>34,201.01</b>
<b>2 Non- financial liabilities</b>			
(a) Provisions	21	635.63	637.99
(b) Other non financial liabilities	22	1,086.69	876.50
<b>Total non financial liabilities</b>		<b>1,722.32</b>	<b>1,514.49</b>
<b>Total liabilities ( 1+2)</b>		<b>46,087.20</b>	<b>35,715.50</b>
<b>3 Equity</b>			
(a) Equity share capital	23	950.97	946.07
(b) Other equity	24	11,133.06	8,883.99
<b>Total equity</b>		<b>12,084.03</b>	<b>9,830.06</b>
<b>Total liabilities and equity (1+2+3)</b>		<b>58,171.23</b>	<b>45,545.56</b>
See accompanying notes to the financial statements	1 to 59		

As per our report of even date attached

**For Ambani & Associates LLP**  
Chartered Accountants  
FRN: 016923N

**Hitesh Ambani**  
Partner  
Membership No.: 506267

Place: Gurugram  
Date: April 26, 2024

**For Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**Rajat Jain**  
Partner  
Membership No.: 413515

Place: Gurugram  
Date: April 26, 2024

For and on behalf of the Board of Directors

**Abhijit Chakravorty**  
Managing Director & CEO  
DIN: 09494533

Chief Financial Officer

Place: Gurugram  
Date: April 26, 2024

**Shrinivas Yeshwant Joshi**  
Director  
DIN: 05189697

Company Secretary

# Statement of Profit and Loss

For the year ended March 31, 2024

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>1 Revenue from operations</b>			
(i) Interest Income	25	7,927.12	6,152.97
(ii) Fees and commission income	26	8,164.69	6,604.15
(iii) Sale of services		163.61	165.77
(iv) Business development incentive income		709.85	740.30
(v) Insurance commission income	50	3.15	3.45
<b>Total revenue from operations</b>		<b>16,968.42</b>	<b>13,666.64</b>
<b>2 Other income</b>	27	515.08	619.03
<b>3 Total income (1+2)</b>		<b>17,483.50</b>	<b>14,285.67</b>
<b>4 Expenses</b>			
(i) Finance costs	28	2,595.22	1,647.63
(ii) Fees and Commission expenses		1,642.14	1,371.50
(iii) Impairment on financial instruments	29	3,287.42	2,159.05
(iv) Employee benefits expenses	30	569.69	561.89
(v) Depreciation, amortisation and impairment	31	196.75	163.81
(vi) Operating and other expenses	32	5,960.48	5,351.22
<b>Total expenses</b>		<b>14,251.70</b>	<b>11,255.10</b>
<b>5 Profit before tax (3-4)</b>		<b>3,231.80</b>	<b>3,030.57</b>
<b>6 Tax expense:</b>	33		
Current tax charge / (credit)		931.41	799.29
Deferred tax charge / (credit)		(107.49)	(27.19)
<b>Total tax expenses</b>		<b>823.92</b>	<b>772.10</b>
<b>7 Profit for the Period (5-6)</b>		<b>2,407.88</b>	<b>2,258.47</b>
<b>8 Other comprehensive income</b>			
A. Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)		(1.56)	(4.56)
- Tax impact on above		0.39	1.15
- Gain/(loss) on equity investment through OCI		(0.69)	1.21
- Tax impact on above		0.17	(0.30)
<b>Subtotal (A)</b>		<b>(1.69)</b>	<b>(2.50)</b>
B. Items that will be reclassified to profit or loss			
- Gain/(loss) on forward contracts in hedging relationship		0.46	(0.46)
- Tax impact on above		(0.12)	0.12
<b>Subtotal (B)</b>		<b>0.34</b>	<b>(0.34)</b>
<b>Other comprehensive income (A+B)</b>		<b>(1.35)</b>	<b>(2.84)</b>
<b>9 Total comprehensive income for the period (7+8)</b>		<b>2,406.53</b>	<b>2,255.63</b>
<b>10 Earnings per equity share :</b>	34		
(1) Basic (₹)		25.39	23.92
(2) Diluted (₹)		25.37	23.80
See accompanying notes to the financial statements	1 to 59		

As per our report of even date attached

**For Ambani & Associates LLP**  
Chartered Accountants  
FRN: 016923N

**Hitesh Ambani**  
Partner  
Membership No.: 506267

Place: Gurugram  
Date: April 26, 2024

**For Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**Rajat Jain**  
Partner  
Membership No.: 413515

Place: Gurugram  
Date: April 26, 2024

For and on behalf of the Board of Directors

**Abhijit Chakravorty**  
Managing Director & CEO  
DIN: 09494533

Chief Financial Officer

Place: Gurugram  
Date: April 26, 2024

**Shrinivas Yeshwant Joshi**  
Director  
DIN: 05189697

Company Secretary

# Cash Flow Statement

For the year ended March 31, 2024

(Figure in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash flow from operating activities</b>		
<b>Profit before tax for the year</b>	3,231.80	3,030.57
<b>Adjustments for :</b>		
Depreciation and amortisation expense	196.75	163.81
Liabilities written back	(0.06)	(0.09)
Impairment losses & bad debts	3,287.42	2,159.05
Other interest income	(199.67)	(106.07)
Cash inflow from interest income	202.44	92.32
Share based payments	10.70	14.11
Finance cost	2,595.22	1,647.63
Unrealised foreign exchange (Gain)/loss (net)	0.79	0.07
Loss/ (Profit) on sale of property, plant & equipment	0.03	(0.17)
Profit on sale on investments	-	(0.48)
<b>Operating profit before working capital changes</b>	<b>9,325.42</b>	<b>7,000.75</b>
<b>Adjustment for changes in working capital</b>		
<b>Adjustments for (increase) / decrease in operating assets:</b>		
Bank balance other than cash & cash equivalent	117.11	(16.45)
Trade receivables	(100.07)	23.50
Other financial assets	87.26	(204.33)
Other non financial assets	(34.93)	(344.36)
Derivative financial Instrument	(1.10)	-
Loans	(13,005.33)	(11,332.69)
<b>Adjustments for increase / (decrease) in operating liabilities:</b>		
Other financial liabilities	1,402.61	(10.38)
Other non financial liabilities	188.19	140.98
Provisions	(3.45)	141.93
Trade payables	112.89	278.89
<b>Cash from/ (used) in operations before taxes</b>	<b>(1,911.40)</b>	<b>(4,322.16)</b>
Finance Cost Paid	(2,604.21)	(1,583.98)
<b>Cash from/ (used) in operations before taxes</b>	<b>(4,515.61)</b>	<b>(5,906.14)</b>
Direct taxes paid (net of refunds)	(935.93)	(764.37)
<b>Net cash generated/ (used) in operating activities (A)</b>	<b>(5,451.54)</b>	<b>(6,670.51)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(74.46)	(93.40)
Proceeds from sale of property, plant and equipment and intangible assets	(0.03)	0.24
Purchase of investments	(3,024.42)	(3,704.50)
Proceeds from investment	1,641.54	2,876.22
<b>Net cash used in investing activities (B)</b>	<b>(1,457.37)</b>	<b>(921.44)</b>



# Cash Flow Statement

For the year ended March 31, 2024

(Figure in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of share capital (including security premium and share pending allotment)	74.48	44.13
Proceeds from debt securities	810.00	2,337.48
Repayment of debt securities	(1,450.00)	(2,881.90)
Borrowings (other than debt securities)	8,855.44	8,457.92
Proceeds from subordinated liabilities	1,275.00	250.00
Repayment of subordinated liabilities	(700.00)	(100.00)
Interim dividend paid	(362.64)	(212.86)
Payment of lease liabilities	(101.11)	(71.19)
<b>Net cash (used) / generated in financing activities (C)</b>	<b>8,401.17</b>	<b>7,823.58</b>
<b>D. Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,492.26</b>	<b>231.63</b>
<b>Cash and cash equivalents as at the beginning of the year</b>	<b>989.79</b>	<b>758.16</b>
<b>Cash and cash equivalents as at the end of the year*</b>	<b>2,482.05</b>	<b>989.79</b>

\* 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

**Hitesh Ambani**  
Partner  
Membership No.: 506267

Place: Gurugram  
Date: April 26, 2024

**For Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**Rajat Jain**  
Partner  
Membership No.: 413515

Place: Gurugram  
Date: April 26, 2024

For and on behalf of the Board of Directors of

**Abhijit Chakravorty**  
Managing Director & CEO  
DIN: 09494533

Chief Financial Officer

Place: Gurugram  
Date: April 26, 2024

**Shriniwas Yeshwant Joshi**  
Director  
DIN: 05189697

Company Secretary

# Statement of Changes in Equity

For the year ended March 31, 2024

(Figure in ₹ Crores, unless otherwise stated)

## A. EQUITY SHARE CAPITAL

Particulars	Number of shares	Amount
<b>Balance as at April 01, 2023</b>	946,074,389	946.07
Changes in equity share capital during the year (refer note 23)	4,894,130	4.90
<b>Balance as at March 31, 2024</b>	<b>950,968,519</b>	<b>950.98</b>
<b>Balance as at April 01, 2022</b>	943,172,489	943.18
Changes in equity share capital during the year (refer note 23)	2,901,900	2.90
<b>Balance as at March 31, 2023</b>	<b>946,074,389</b>	<b>946.07</b>

## 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	Equity Instruments through Comprehensive Income	Cash flow hedging reserve					
<b>Balance as at April 01, 2023</b>	3.40	1,786.77	21.12	(71.51)	1,049.16	6,042.02	40.13	13.23	(0.34)	-	8,883.99
Profit after tax	-	-	-	-	-	2,407.88	-	-	-	-	2,407.88
Other comprehensive income, net of income taxes	-	-	-	-	-	(1.17)	-	(0.52)	0.34	-	(1.34)
Share based payments to employees- for the period	-	-	-	-	-	-	10.70	-	-	-	10.70
Transfer from Retained earnings- Unclaimed credit balance above 10 Years	-	-	1.39	-	-	(1.39)	-	-	-	-	-
Received on allotment of shares to employees pursuant to ESOP Scheme	-	-	-	-	69.55	-	-	-	-	-	69.55
Transferred from Retained Earning @ 20%	-	481.58	-	-	-	(481.58)	-	-	-	-	-
Interim equity dividend for FY 2023-24	-	-	-	-	-	(237.74)	-	-	-	-	(237.74)
Transfer on allotment of shares to employees pursuant to ESOP scheme	-	-	-	-	36.22	-	(36.22)	-	-	-	-
Transfer on cancellation of stock option	-	-	1.86	-	-	-	(1.86)	-	-	-	-
Share application money pending allotment	-	-	-	-	-	-	-	-	-	0.04	0.04
<b>Balance as at March 31, 2024</b>	<b>3.40</b>	<b>2,268.35</b>	<b>24.37</b>	<b>(71.51)</b>	<b>1,154.93</b>	<b>7,728.02</b>	<b>12.75</b>	<b>12.71</b>	<b>(0.00)</b>	<b>0.04</b>	<b>11,133.06</b>

# Statement of Changes in Equity

For the year ended March 31, 2024

(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			Instruments through Comprehensive Income
<b>Balance as at April 01, 2022</b>	<b>3.40</b>	<b>1,335.08</b>	<b>13.11</b>	<b>(71.51)</b>	<b>988.09</b>	<b>4,481.06</b>	<b>47.97</b>	<b>12.32</b>	<b>-</b>	<b>6809.52</b>
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)	-	-	-
<b>Balance as at March 31, 2023</b>	<b>3.40</b>	<b>1,786.77</b>	<b>21.12</b>	<b>(71.51)</b>	<b>1,049.16</b>	<b>6,042.02</b>	<b>40.13</b>	<b>13.23</b>	<b>(0.34)</b>	<b>8,883.99</b>

As per our report of even date attached

**For Ambani & Associates LLP**  
Chartered Accountants  
FRN: 016923N

**Hitesh Ambani**  
Partner  
Membership No.: 506267

Place: Gurugram  
Date: April 26, 2024

**For Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**Rajat Jain**  
Partner  
Membership No.: 413515

Place: Gurugram  
Date: April 26, 2024

For and on behalf of the Board of Directors of

**Shrinivas Yeshwant Joshi**  
Director  
DIN: 05189697

Company Secretary

**Abhijit Chakravorty**  
Managing Director & CEO  
DIN: 09494533

Chief Financial Officer

Place: Gurugram  
Date: April 26, 2024

# 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 68.63% as at March 31, 2024.

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 26, 2024 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 (INR), 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.

## 4 MATERIAL ACCOUNTING POLICIES INFORMATION

### 4.1. Revenue recognition

The Company’s operating revenues are comprised principally of service revenues such as Interest income

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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 when transfer control of promised goods or services to customers is completed, 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 including EMI based advances.
- Interest Income from Fixed Deposit.
- Interest Income from Investment.

The Company recognises Interest income in line with Ind AS 109 for all financial assets, except those classified as held for trading or designated at fair value are recognised in 'Interest income' in the statement of profit and loss using the effective interest rate method (EIR) which allocates interest, and direct and incremental fees and costs, over the expected lives of the assets. The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets by considering processing fees and other transaction costs that are an integral part of the EIR of financial instruments, attributable to acquisition of such financial assets. EIR represents a rate that exactly discount estimated future cash flows through the expected life of the financial asset to the gross carrying amount of a financial asset.

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, where the Company offers multiple membership benefits including reward points, promotional discounts,

lounge access etc, that represent a single stand-ready performance obligation. If the services offered by the Company contains distinct performance obligations, the corresponding transaction price is allocated to each performance obligation based on the estimated stand-alone selling prices.

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. The unamortised revenue from membership fees is recognised under other non-financial liabilities.

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. As the Company acts as a principal in applicable transactions, revenue from interchange income is recognised on gross basis 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 on behalf of such co-brand partners and other service providers. Commission income arising therefrom is recognised on net basis at an agreed rate 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 target based contracts with network partners for various programs designed to build payments volume, increase product acceptance. Revenue recognition is based on estimated performance by considering agreed incentive and the budgeted target in comparison to actual performance achieved. As and when the contracts are completed adjustment to revenue is made to reflect the actual performance and consequently revenue is recognised on actual basis.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 4.1.5. Insurance Commission Income

The Company acts as corporate insurance agent for selling insurance policies to credit card customers on behalf of the insurance companies. Commission arising therefrom is recognised on net basis at an agreed rate on completion of sale of insurance policies.

## 4.1.6. Dividend Income and Income from Sale of Investments

Dividend income is recognised when the right to receive the dividend is established.

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 unresolved unidentified receipts aged more than three years are 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

Finance costs represents interest expense recognised by applying the Effective interest rate method (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified at fair value.

Interest expense includes issue costs that are initially recognised as part of the carrying value of the financial liability and amortised over the expected life using the effective interest method. These include arranger fees, stamp duty fees, listing fees and other expenses,

provided these are incremental costs that are directly related to the issue of a financial liability.

Interest expense in the nature of borrowing cost as per Ind AS 23 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. Subsequent costs are capitalised if these result in enhancement of the asset. 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

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life is as follows:

Description	Useful Life
Furniture and Fixtures	10
Office equipment	5
Computers & Computer Equipment	3
Owned Vehicles	8
Computer Server	6

Improvements of leasehold property are depreciated over the period of the lease term or useful life, whichever is shorter.

Useful life of assets different from prescribed in Schedule II has been estimated by management supported by technical assessment.

Depreciation on assets acquired / sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from/ till the date of acquisition or sale.

**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 amortisation and accumulated impairment losses, if any.

Intangible assets acquired separately comprise of purchase of software with finite useful life that are initially recognised at cost. Amortisation is recognised on a straight line method over a period of three years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

In case of internally generated intangible assets, expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised on satisfaction of the recognition criteria.

Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Internally developed projects are 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.

## Derecognition of Intangible assets

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 recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value except for trade receivables (without a significant financing component) which are initially recognised at transaction price. Transaction

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

## **Subsequent Recognition**

### **(I) Non -derivative financial instruments**

#### **Financial Assets**

##### **Classification of financial assets**

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

#### **Financial assets are carried at amortised cost using Effective Interest Rate method (EIR):**

A financial asset is subsequently measured at amortised 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. However, considering the economic viability of carrying the delinquent portfolios on the books of the Company, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/or asset reconstruction companies without affecting the business model of the Company.

Financial assets at amortised costs comprises of Investment in government securities, investment in treasury bills, bank balances, trade receivables, loans and other financial assets.

#### **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. Interest 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).

For financial assets the effective interest rate is the rate that exactly discounts estimated future cash receipts (including any fees or cost that form an integral part of the effective interest rate) excluding expected credit losses, through the expected life of the financial instrument.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated for financial assets 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 that do not meet the criteria for being measured at amortised cost or FVOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship (see hedge accounting policy).

However, in cases where the Company has made an irrevocable election for particular investments in equity instruments that would otherwise be measured at fair



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

value through profit or loss, the subsequent changes in fair value are recognised in Other Comprehensive Income.

## **Investment in mutual funds are classified by the Company at FVTPL.**

Investment which are classified as current and falls under the classification of current quoted investments in line RBI master directions as applicable to the Company are evaluated at each reporting period to account for the impact of depreciation through the statement of profit and loss account.

## **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.

The equity investments in Online PSB Loans Limited held by the Company are designated as at FVOCI.

## **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.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is not reclassified to profit or loss, but is transferred to retained earnings.

## **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 updated and changes in the forward-looking estimates are analysed.

To calculate ECL, the Company estimate the risk of a default occurring on the financial instrument during its expected life. ECLs are estimated based on the present value of all cash shortfalls over the remaining expected life of the financial asset i.e., the difference between the contractual cash flows that are due to the Company under the contract, and the cash flows that the Company expects to receive are discounted at the effective interest rate of the loan.

Further, for corporate portfolio, the Company's credit risk function also segregates loans with specific risk

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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 recognising 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.

ECL impairment loss allowance (or reversal) during the period is recognised as income/ expense in the statement of profit and loss. This amount is reflected under the head 'Impairment on financial instruments' in the Statement of Profit and Loss. On the other side, for financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

In terms of the requirement as per RBI notification no. RBI/DoR/2023-24/106 DoR.FIN.REC. No.45/03.10.119/2023-24 dated 19<sup>th</sup> October, 2023 on Implementation of Indian Accounting Standards, Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets).

The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning), as at 31<sup>st</sup> March, 2024 and accordingly, no amount is required to be transferred to impairment reserve."

## **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**

The Company's financial liabilities include debt securities, borrowings, trade and other payables. Financial liabilities are subsequently carried at amortised cost using the effective interest rate method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account arranger fees, stamp duty fees, listing fees and other expenses that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

## **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.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

## Hedge accounting

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 amortised 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. When a hedged transaction occurs or is no longer expected to occur, the net cumulative gain or loss recognised in cash flow hedging reserve is transferred to the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other

equity and is recognised when the forecast transaction is ultimately recognised in 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 realise 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 recognises 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 recognises the lease payments as an operating expense on a straight line basis over the lease term.

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract in accordance with Ind AS

# Notes forming part of the financial statements

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116 and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Lease term includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognised 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. The right-of-use assets is presented as a separate line item in the balance sheet.

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 amortised 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.

The interest cost on lease liability (computed using effective interest method), is expensed off in the statement of profit and loss and the lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The lease liability is presented as a separate line item in the other financial liability as part of the balance sheet.

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

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

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 realised, or the liability is settled, based on tax rates

# Notes forming part of the financial statements

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(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.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

### 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 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 recognises 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.

# Notes forming part of the financial statements

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## **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 recognises 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. Remeasurements, comprising of actuarial gains and losses are recognised immediately in the Balance Sheet at the end of each reporting period with a corresponding debit or credit to the statement of profit and loss in the period in which they occur.

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 recognised 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 avilment of leave. Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised 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.

The cost of equity-settled transactions is determined by the fair value at the date when grant is made using an appropriate valuation model. Grant date is the date at which date at which the entity and the employee have a shared understanding of the terms and conditions of the arrangement. If some of the significant terms and conditions of the arrangement are agreed on a date, with the remainder of the terms and conditions agreed on a date later than the beginning of vesting period, then grant date considered is on that later date, when all of the terms and conditions have been agreed.

The expense is recognised 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

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date is expensed over the vesting period of the respective tranches of such grants. Where the grant date occurs on a date later than beginning of vesting period, the expense is recognised from beginning of vesting period till reporting date, by estimating the fair value of the equity instruments at the end of the reporting period. Once the grant date occurs, the Company revises the earlier estimate so that the expense recognised for services received in respect of the grant are ultimately based on the grant date fair value of the equity instruments.

The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired, and the Company's best estimate of the number equity instruments that will ultimately vest.

The fair value excludes the effect of service and non-market-based vesting conditions. The likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Details regarding the determination of the fair value of equity-settled share based transactions are set out in Note 42.

The impact of the revision of the original estimates, if any, is recognised 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. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

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.

A contingent liability is disclosed in respect of a possible obligation that arise from past events whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or from a present obligation that arises from past events which are not recognised because:

- a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- b) the amount of the obligation cannot be measured with sufficient reliability

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 merchandise. 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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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 such as identifying performance obligations, wherein the Company provides multiple services as part of the contract. 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.
- (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



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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.
- (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.

## 4.17. Recent pronouncements

In the current year, the Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1<sup>st</sup> April, 2023:

### (I) Amendments to Ind AS-1 Presentation of financial statements

The Company has adopted the amendments to Ind AS 1 for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial.

However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

### (II) Amendments to Ind AS-8 Accounting policies, Changes in accounting estimates and errors- Definition of accounting estimates

The Company has adopted the amendments to Ind AS 8 for the first time in the Accounting Policies, current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

### (III) Amendments to Ind AS-12 Income taxes- Deferred tax related to assets and liabilities arising from a single transaction

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. No changes would be necessary as a consequence of amendments made to Ind AS 12 as the Company's accounting policy already complies with the now mandatory treatment.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 5 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balance with banks (of the nature of cash and cash equivalents)</b>		
Current Accounts *	1,044.08	56.94
Funds in transit (lying in nodal account of intermediaries/payment gateway aggregators)	1,323.20	733.82
Investment in Government Securities with maturity less than three months**	114.77	199.03
<b>Total</b>	<b>2,482.05</b>	<b>989.79</b>

\*Current accounts balance for the period ended March 31, 2024 includes ₹ 0.74 Crores held in Escrow account to meet IPO expenses (for year ended March 31, 2023 ₹ 0.74 Crores)

\*\* The balances held as Investment in Government Securities with original maturity of less than three months as at March 31, 2024 are as follows:

Particulars	Face Value	Units	Amount
91DTB04042024	100	4,000,000.00	39.98
364DTB04042024	100	5,000,000.00	49.97
91DTB09052024	100	2,500,000.00	24.82
<b>Total</b>		<b>11,500,000.00</b>	<b>114.77</b>

\*\* 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	20,000,000.00	199.03
<b>Total</b>		<b>20,000,000.00</b>	<b>199.03</b>

## 6 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits (under Lien) with original maturity for more than 3 months	7.19	8.22
Earmarked balances with bank		
Unpaid dividend *	91.11	236.65
Non moving credit balance of customers	148.71	119.32
Unidentified receipts	0.41	0.34
Unpaid exgratia to customers	0.15	0.15
<b>Total</b>	<b>247.57</b>	<b>364.68</b>

Particulars	As at March 31, 2024	As at March 31, 2023
* Unpaid dividend, gross of TDS amount		
For the FY 2019-20	0.07	0.07
For the FY 2021-22	0.06	0.06
For the FY 2022-23	0.08	236.52
For the FY 2023-24	90.90	-
<b>Total</b>	<b>91.11</b>	<b>236.65</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 7 TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>To be realised within twelve months after reporting date:</b>		
Trade Receivables considered good - Unsecured	243.08	142.16
Trade Receivables which have significant increase in Credit Risk	2.00	2.85
Less:- Impairment loss allowance	(2.00)	(2.85)
<b>Total</b>	<b>243.08</b>	<b>142.16</b>

- 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 at March 31, 2024

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	44.76	98.43	99.89	-	-	-	-	243.08
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	0.02	-	1.98	-	-	2.00
(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	-	-	-	-	-	-	-	-
<b>Total- Gross</b>	<b>44.76</b>	<b>98.43</b>	<b>99.91</b>	<b>-</b>	<b>1.98</b>	<b>-</b>	<b>-</b>	<b>245.08</b>

\* Details of unbilled/not due receivable from the date of transaction

Particulars	Unbilled/Not Due age from the date of transaction					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	143.19	-	-	-	-	143.19
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(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	-	-	-	-	-	-
<b>Total- Gross</b>	<b>143.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>143.19</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## Trade Receivables 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) 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	-	-	-	-	-	-	-	-
<b>Total- Gross</b>	<b>43.30</b>	<b>80.44</b>	<b>18.92</b>	<b>2.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>145.01</b>

\* Details of unbilled/not due receivable from the date of transaction

Particulars	Unbilled/Not Due age from the date of transaction					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	123.74	-	-	-	-	123.74
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(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	-	-	-	-	-	-
<b>Total- Gross</b>	<b>123.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123.74</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 8 LOANS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At Amortised Cost</b>		
<b>(A)</b>		
<b>Other- Loans &amp; advances to customers</b>		
To be realised within twelve months after reporting date	45,834.30	36,309.03
To be realised after twelve months after reporting date	5,011.29	4,412.59
<b>Total (A)- Gross</b>	<b>50,845.59</b>	<b>40,721.62</b>
Less:- Impairment loss allowance	(1,766.64)	(1,360.64)
<b>Total (A)- Net</b>	<b>49,078.95</b>	<b>39,360.98</b>
<b>(B)</b>		
(i) Secured by lien on fixed deposits and financial guarantees	274.53	283.46
(ii) Unsecured	50,571.06	40,438.16
<b>Total (B)- Gross</b>	<b>50,845.59</b>	<b>40,721.62</b>
Less:- Impairment loss allowance	(1,766.64)	(1,360.64)
<b>Total (B)- Net</b>	<b>49,078.95</b>	<b>39,360.98</b>
<b>(C) Loans in India</b>		
(i) Public sector	75.74	31.47
(ii) Others	50,769.85	40,690.15
<b>Total (C)- Gross</b>	<b>50,845.59</b>	<b>40,721.62</b>
Less:- Impairment loss allowance	(1,766.64)	(1,360.64)
<b>Total (C)- Net</b>	<b>49,078.95</b>	<b>39,360.98</b>

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, 2024		As at March 31, 2023	
	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	0.05	0.00%	0.04	0.00%
Directors	0.01	0.00%	0.03	0.00%
KMPs	0.01	0.00%	0.01	0.00%
Related Parties	0.45	0.00%	0.56	0.00%

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 9 INVESTMENTS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(A)</b>		
<b>At Amortised Cost</b>		
Investment to be realised within twelve months after the reporting date		
Investment in Government Securities	1,014.98	567.61
Investment to be realised after twelve months after the reporting date		
Investment in Government Securities	2,486.18	1,552.95
Equity instruments	-	-
<b>At Fair Value through Other Comprehensive Income</b>		
Investment to be realised after twelve months after the reporting date		
Equity instruments	18.44	19.13
<b>Total</b>	<b>3,519.60</b>	<b>2,139.69</b>
<b>(B)</b>		
(i) Investment outside India	-	-
(ii) Investment in India	3,519.60	2,139.69
<b>Total</b>	<b>3,519.60</b>	<b>2,139.69</b>
<b>(C)</b>		
Less - Allowance for Impairment Loss	(0.47)	-
<b>Total Net (A - C)</b>	<b>3,519.13</b>	<b>2,139.69</b>

The balances held as Investment as at March 31, 2024 are as follows:

Particulars	Face Value	Units	Amount
<b>Investment in Government Securities (Current)</b>			
182DTB04042024	100	5,000,000	49.97
182DTB11042024	100	15,500,000	154.70
182DTB18042024	100	5,500,000	54.82
182DTB23052024	100	17,500,000	173.27
182DTB04072024	100	10,000,000	98.21
364DTB11072024	100	10,000,000	98.10
182DTB18072024	100	3,500,000	34.29
182DTB25072024	100	8,000,000	78.24
364DTB01082024	100	22,000,000	214.92
364DTB01682024	100	6,000,000	58.46
<b>Total</b>		<b>103,000,000.00</b>	<b>1,014.98</b>
<b>Investment in Government Securities (Non-Current)</b>			
6.18% GS2024	100	12,500,000	129.11
5.22% GS2025	100	19,500,000	197.77
5.63% GS2026	100	10,000,000	99.77
5.74% GS2026	100	15,500,000	153.14
6.97% GS2026	100	9,500,000	95.09
6.79% GS2027	100	6,000,000	60.68
7.38% GS2027	100	55,000,000	562.81
7.17% GS2028	100	4,500,000	45.71
7.06% GS2028	100	13,000,000	133.63

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Face Value	Units	Amount
7.37% GS2028	100	8,000,000	82.94
7.26% GS2029	100	21,000,000	213.03
7.10% GS2029	100	6,500,000	66.23
7.17% GS2030	100	8,500,000	87.26
7.32% GS2030	100	2,000,000	20.72
5.85% GS2030	100	3,500,000	33.04
6.10% GS2031	100	6,000,000	57.11
7.26% GS2032	100	34,500,000	346.76
7.95% GS2032	100	1,500,000	15.70
7.26% GS2033	100	8,500,000	85.68
<b>Total</b>		<b>245,500,000</b>	<b>2,486.18</b>
<b>Equity instruments (Amortised Cost)</b>			
SBI Foundation *	10	1,001	0.00
* Face value of the equity instrument as on March 31, 2024 is ₹ 10.010			
<b>Total</b>		<b>1,001</b>	<b>0.00</b>
<b>Equity instruments (fair value through OCI)</b>			
Online PSB Loans Limited	10	112,996	18.44
<b>Total</b>		<b>112,996</b>	<b>18.44</b>

## The balances held as Investment as at March 31, 2023 are as follows

Particulars	Face Value	Units	Amount
<b>Investment in Government Securities (Current)</b>			
364DTB18052023	100	15,000,000	148.90
364DTB22062023	100	8,000,000	78.92
364DTB03082023	100	14,000,000	137.19
364DTB12102023	100	21,000,000	202.60
<b>Total</b>		<b>58,000,000</b>	<b>567.61</b>
<b>Investment in Government Securities (Non-Current)</b>			
7.32% GS2024	100	8,000,000	82.89
6.18% GS2024	100	12,500,000	130.67
5.22% GS2025	100	19,500,000	197.59
5.74% GS2026	100	13,000,000	126.99
6.97% GS2026	100	9,500,000	94.96
6.79% GS2027	100	6,000,000	60.44
7.38% GS2027	100	55,000,000	563.21
7.26% GS2029	100	3,500,000	35.27
7.10% GS2029	100	6,500,000	66.10
7.26% GS2032	100	19,500,000	194.82
<b>Total</b>		<b>153,000,000</b>	<b>1,552.95</b>
<b>Equity instruments (Amortised Cost)</b>			
SBI Foundation *	10	1,001	0.00
* Face value of the equity instrument as on March 31, 2023 is ₹ 10.010			
<b>Total</b>		<b>1,001</b>	<b>0.00</b>
<b>Equity instruments (fair value through OCI)</b>			
Online PSB Loans Limited	10	112,996	19.13
<b>Total</b>		<b>112,996</b>	<b>19.13</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 10 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>To be realised within twelve months after reporting date:</b>		
Contract Asset *		
Receivables considered good - unsecured	291.85	53.68
Security deposits		
Unsecured, considered good	13.58	0.34
Unsecured, which have significant increase in credit risk	1.77	1.52
Other recoverable - Considered good	12.83	2.90
Other recoverable which have significant increase in credit risk	1.04	0.77
Less : - Impairment loss allowance	(2.81)	(2.29)
<b>Sub total</b>	<b>318.26</b>	<b>56.92</b>
<b>To be realised after twelve months after reporting date:</b>		
Contract Asset*		
Receivables considered good - unsecured	-	334.44
Security deposits		
Unsecured, considered good	11.77	25.13
Unsecured, which have significant increase in credit risk	0.48	0.39
Less:- Impairment loss allowance	(0.48)	(0.39)
<b>Sub total</b>	<b>11.77</b>	<b>359.57</b>
<b>Total</b>	<b>330.03</b>	<b>416.49</b>

\* Refer note 35

## 11 CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Tax asset(net)</b>		
<b>To be settled within twelve months after reporting date:</b>		
Advance income tax (net of provision)	10.20	5.68
<b>Total</b>	<b>10.20</b>	<b>5.68</b>

## 12 DEFERRED TAX ASSETS (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>To be adjusted after twelve months after reporting date:</b>		
- Deferred tax asset	354.61	246.67
<b>Total</b>	<b>354.61</b>	<b>246.67</b>



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## For the year ended March 31, 2024

Particulars	Opening balance	Recognised in profit and loss	Recognised in other comprehensive income	DTA Rate Change and Previous year trueup	Closing balance
<b>Deferred tax (liabilities)/assets in relation to:</b>					
Property, plant and equipment	12.78	6.33	-	0.07	19.18
Membership & processing fee	159.40	16.64	-	-	176.04
Provision for expenses	34.59	5.20	-	(4.57)	35.22
Staff benefits and statutory dues	8.77	(1.75)	0.39	0.67	8.07
Fair valuation of derivatives	0.12	-	(0.12)	-	-
Fair valuation of Investment through OCI	(4.44)	-	0.17	-	(4.27)
Amortisation of card acquisition cost	(264.60)	(9.98)	-	-	(274.58)
Provision for doubtful debts & ECL	303.14	95.12	-	0.19	398.45
Debt Issue expenses	(0.14)	(0.02)	-	-	(0.16)
Income on investment	(0.05)	-	-	-	(0.05)
Other financial liabilities	(2.90)	(0.41)	-	-	(3.31)
<b>Total</b>	<b>246.67</b>	<b>111.13</b>	<b>0.45</b>	<b>(3.64)</b>	<b>354.61</b>

There are no unrecognised deductible temporary differences.

## 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
<b>Deferred tax (liabilities)/assets in relation to:</b>					
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	-	-	0.12	-	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)
<b>Total</b>	<b>218.53</b>	<b>31.03</b>	<b>0.97</b>	<b>(3.86)</b>	<b>246.67</b>

There are no unrecognised deductible temporary differences.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 13 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS & RIGHT OF USE ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Property, plant and equipment</b>		
<b>A. Carrying amounts of:</b>		
Furniture & fixture	2.48	2.59
Office equipment	1.79	2.75
Owned vehicles	0.24	-
Computers including server (owned)	51.37	46.41
Leasehold improvements	2.59	8.61
<b>Total</b>	<b>58.47</b>	<b>60.36</b>
<b>B. Capital work in progress</b>		
Capital work in progress	0.10	6.06
<b>Total</b>	<b>0.10</b>	<b>6.06</b>
<b>Intangible Assets</b>		
<b>A. Carrying value of other intangible assets</b>		
Computer software	103.79	103.42
<b>Total</b>	<b>103.79</b>	<b>103.42</b>
<b>B. Intangible Assets under development</b>		
Intangible assets under development	22.21	16.63
<b>Total</b>	<b>22.21</b>	<b>16.63</b>
<b>Right-of-use Assets</b>		
Computer server on lease	255.62	244.11
Building	124.22	143.07
<b>Total</b>	<b>379.84</b>	<b>387.18</b>
<b>Total</b>	<b>564.42</b>	<b>573.65</b>

### 13.1 Property Plant and Equipments-Cost

Particulars	Furniture & Fixture	Office equipment	Owned Vehicles	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
<b>Balance as at April 01, 2023</b>	4.18	11.68	-	122.90	35.53	174.29	6.06
Additions	0.34	0.51	0.26	23.35	-	24.46	13.99
Deletions	(0.13)	(1.12)	-	(4.36)	(14.40)	(20.01)	(19.95)
<b>Balance at March 31, 2024</b>	<b>4.39</b>	<b>11.07</b>	<b>0.26</b>	<b>141.89</b>	<b>21.13</b>	<b>178.73</b>	<b>0.10</b>

### Property Plant and Equipments-Accumulated Depreciation

Particulars	Furniture & Fixture	Office equipment	Owned Vehicles	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
<b>Balance as at April 01, 2023</b>	1.60	8.92	-	76.48	26.92	113.93	-
Depreciation during the period	0.43	1.45	0.02	18.40	6.02	26.32	-
Eliminated on disposals of assets	(0.12)	(1.10)	-	(4.36)	(14.40)	(19.98)	-
<b>Balance at March 31, 2024</b>	<b>1.91</b>	<b>9.27</b>	<b>0.02</b>	<b>90.52</b>	<b>18.54</b>	<b>120.27</b>	<b>-</b>
<b>Net Book Value as at March 31, 2024</b>	<b>2.48</b>	<b>1.79</b>	<b>0.24</b>	<b>51.37</b>	<b>2.59</b>	<b>58.47</b>	<b>0.10</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## Property Plant and Equipments-Cost

Particulars	Furniture & Fixture	Office equipment	Owned Vehicles	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
Balance 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)
<b>Balance at March 31, 2023</b>	<b>4.18</b>	<b>11.68</b>	<b>-</b>	<b>122.90</b>	<b>35.53</b>	<b>174.29</b>	<b>6.06</b>

## Property Plant and Equipments-Accumulated Depreciation

Particulars	Furniture & Fixture	Office equipment	Owned Vehicles	Computers including server (Owned)	Leasehold Improvements	Total	Capital work in progress
Balance 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)	-
<b>Balance at March 31, 2023</b>	<b>1.60</b>	<b>8.92</b>	<b>-</b>	<b>76.48</b>	<b>26.92</b>	<b>113.93</b>	<b>-</b>
<b>Net Book Value as at March 31, 2023</b>	<b>2.59</b>	<b>2.75</b>	<b>-</b>	<b>46.41</b>	<b>8.61</b>	<b>60.36</b>	<b>6.06</b>

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, 2024

CWIP	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	0.10	-	-	-	0.10
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.10</b>

## CWIP ageing schedule for March 31, 2023

CWIP	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	-	-	-	-	-
<b>Total</b>	<b>6.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.06</b>

There are no Capital work in progress which is overdue or has exceeded its cost compared to its original plan as of March 31, 2024 (Previous year Nil)

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 13.2 Intangible Assets

Particulars	Computer software	Intangible assets under development
<b>At Cost</b>		
Balance as at April 01, 2023	305.75	16.63
Additions	60.21	42.72
Disposals	(3.35)	(37.14)
<b>Balance at March 31, 2024</b>	<b>362.61</b>	<b>22.21</b>
<b>Accumulated depreciation and impairment</b>		
Balance as at April 01, 2023	202.36	-
Depreciation charge for the year	59.81	-
Disposals/adjustments	(3.35)	-
<b>Balance at March 31, 2024</b>	<b>258.82</b>	<b>-</b>
<b>Net Book Value as at March 31, 2024</b>	<b>103.79</b>	<b>22.21</b>

Particulars	Computer software	Intangible assets under development
<b>At Cost</b>		
Balance at April 01, 2022	260.84	13.75
Additions	44.92	35.11
Disposals	(0.01)	(32.23)
<b>Balance at March 31, 2023</b>	<b>305.75</b>	<b>16.63</b>
<b>Accumulated depreciation and impairment</b>		
Balance at April 01, 2022	144.43	-
Depreciation charge for the period	57.91	-
Disposals/adjustments	(0.01)	-
<b>Balance at March 31, 2023</b>	<b>202.33</b>	<b>-</b>
<b>Net Book Value as at March 31, 2023</b>	<b>103.42</b>	<b>16.63</b>

### (a) Intangible asset under development ageing schedule

Details of intangible asset under development as on March 31, 2024, 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	11.25	10.89	0.06	-	22.21
Project temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>11.25</b>	<b>10.89</b>	<b>0.06</b>	<b>-</b>	<b>22.21</b>

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
<b>Total</b>	<b>16.04</b>	<b>0.59</b>	<b>-</b>	<b>-</b>	<b>16.63</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## (b) Details of Intangible asset under development, whose completion is overdue or has exceeded its cost compared to its original plan, Completion schedule are as under :

Project wise details for the year ended March 31, 2024 :

Name of the Project	To be Completed In				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
New Acquisition Digitisation	4.29	-	-	-	4.29
Platform Upgrades	2.40	-	-	-	2.40
Treasury Management	0.06	-	-	-	0.06
SPARK	4.20	-	-	-	4.20
<b>Total</b>	<b>10.95</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10.95</b>

There are no Intangible assets under development which is overdue or has exceeded its cost compared to its original plan as of March 31, 2024.

### 13.3 Right-of-Use assets

Particulars	Computer server on lease	Building	Total
<b>At Cost</b>			
<b>Balance as at April 01, 2023</b>	345.06	242.53	587.59
Additions	86.35	16.93	103.28
Disposals/adjustments	(18.80)	(17.96)	(36.76)
<b>Balance at March 31, 2024</b>	<b>412.61</b>	<b>241.50</b>	<b>654.11</b>
<b>Accumulated depreciation and impairment</b>			
<b>Balance as at April 01, 2023</b>	100.95	99.46	200.41
Depreciation during the year	74.84	35.78	110.62
Disposals/adjustments	(18.80)	(17.96)	(36.76)
<b>Balance at March 31, 2024</b>	<b>156.99</b>	<b>117.28</b>	<b>274.27</b>
<b>Net Book Value as at March 31, 2024</b>	<b>255.62</b>	<b>124.22</b>	<b>379.84</b>

Particulars	Computer server on lease	Building	Total
<b>At Cost</b>			
<b>Balance at April 01, 2022</b>	207.57	220.97	428.54
Additions	168.37	21.84	190.21
Disposals/adjustments	(30.88)	(0.28)	(31.16)
<b>Balance at March 31, 2023</b>	<b>345.06</b>	<b>242.53</b>	<b>587.59</b>
<b>Accumulated depreciation and impairment</b>			
<b>Balance at April 01, 2022</b>	79.85	64.84	144.69
Depreciation during the year	51.98	34.90	86.88
Disposals/adjustments	(30.88)	(0.28)	(31.16)
<b>Balance at March 31, 2023</b>	<b>100.95</b>	<b>99.46</b>	<b>200.41</b>
<b>Net Book Value as at March 31, 2023</b>	<b>244.11</b>	<b>143.07</b>	<b>387.18</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 14 OTHER NON FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>To be realised within twelve months after reporting date:</b>		
Service tax / GST recoverable		
Unsecured, considered good	124.49	135.28
Prepaid expenses	63.91	45.72
Unamortised Card acquisition cost*	487.07	485.40
Other advances		
Unsecured, considered good	58.12	71.60
Unsecured, which have significant increase in credit risk	1.05	0.03
<b>Sub Total - Gross</b>	<b>734.64</b>	<b>738.04</b>
Less : - Impairment loss allowance	(1.05)	(0.03)
<b>Sub Total - Net (A)</b>	<b>733.59</b>	<b>738.00</b>
<b>To be realised after twelve months after reporting date:</b>		
Service tax / GST recoverable		
Unsecured, which have significant increase in credit risk	5.80	6.32
Prepaid expenses	3.72	1.86
Unamortised Card acquisition cost*	603.89	565.91
<b>Sub Total - Gross</b>	<b>613.41</b>	<b>574.09</b>
Less : - Impairment loss allowance	(5.80)	(6.32)
<b>Sub Total - Net (B)</b>	<b>607.61</b>	<b>567.77</b>
<b>Total Net (A+B)</b>	<b>1,341.20</b>	<b>1,305.77</b>

\* Refer note 35

## 15 DERIVATIVE FINANCIAL INSTRUMENTS (LIABILITIES)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Part I</b>		
<b>(i) Currency Derivatives</b>		
Spot and forwards	-	1.10
<b>Total</b>	<b>-</b>	<b>1.10</b>
<b>Part I (a)</b>		
<b>(i) Cash Flow hedging</b>		
Currency derivatives	-	1.10
<b>Total</b>	<b>-</b>	<b>1.10</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 16 PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Payable within twelve months after reporting date:</b>		
(I) Trade payables*		
(i) total outstanding dues of micro enterprises and small enterprises	106.58	92.47
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *	1,401.13	1,302.95
<b>Total (A)</b>	<b>1,507.71</b>	<b>1,395.42</b>
(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	1.67	1.13
(b) total outstanding dues to capital creditors	19.25	9.41
<b>Total (B)</b>	<b>20.92</b>	<b>10.54</b>
<b>Total (A+B)</b>	<b>1,528.63</b>	<b>1,405.96</b>

(\*) 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.

### 16.1 Disclosures under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

In terms of notification dated December 04, 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, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting period	106.58	92.47
(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, 2024

Particulars	Unbilled*	Not Due*	Outstanding for following periods from due date of payments				Total
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	104.70	1.88	-	-	-	-	106.58
(ii) Others	1,293.04	96.62	9.87	0.39	1.21	-	1,401.13
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,397.74</b>	<b>98.50</b>	<b>9.87</b>	<b>0.39</b>	<b>1.21</b>	<b>-</b>	<b>1,507.71</b>

\* Details of unbilled/not due payable from the date of transaction

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Outstanding for following periods from date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	106.58	-	-	-	106.58
(ii) Others	1,389.66	-	-	-	1,389.66
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>1,496.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,496.24</b>

## 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 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	23.75	1.21	0.04	-	1,302.95
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-	-	-
<b>Total</b>	<b>1,250.74</b>	<b>115.35</b>	<b>28.07</b>	<b>1.21</b>	<b>0.04</b>	<b>-</b>	<b>1,395.42</b>

\* Details of unbilled/not due payable from the date of transaction

Particulars	Outstanding for following periods from date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
(i) MSME	88.15	-	-	-	88.15
(ii) Others	1,277.94	-	-	-	1,277.94
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>1,366.09</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,366.09</b>

## 17 DEBT SECURITIES

### At amortised cost

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(A)</b>		
<b>Unsecured</b>		
<b>(i) Debentures</b>		
- To be settled within twelve months after reporting date;	3,130.41	1,654.69
- To be settled after twelve months after reporting date;	2,857.76	4,951.52
<b>Total (A)</b>	<b>5,988.17</b>	<b>6,606.21</b>
<b>(B)</b>		
Debt Securities in India	5,988.17	6,606.21
<b>Total (B)</b>	<b>5,988.17</b>	<b>6,606.21</b>

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.



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 17.1 Details of Non-Convertible Debentures (NCD)

Particulars	As at March 31, 2024	As at March 31, 2023
6.85% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Jun'23)	-	400.00
5.75% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Nov'23)	-	500.00
5.90% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Feb'24)	-	550.00
5.70% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in May'24)	455.00	455.00
5.55% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in June'24)	500.00	500.00
5.70% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Aug'24)	500.00	500.00
5.75% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Nov'24)	500.00	500.00
5.82% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Dec'24)	650.00	650.00
7.40% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Feb'25)	300.00	300.00
7.51% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in June '25)	750.00	750.00
7.39% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Sept '25)	500.00	500.00
7.90% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Nov'25)	350.00	350.00
6.00% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Dec'25)	450.00	450.00
7.85% Unsecured NCD of ₹ 1,00,000 each (Redeemable at par in May'28)	810.00	-
<b>Total</b>	<b>5,765.00</b>	<b>6,405.00</b>
Interest accrued and impact of EIR	223.17	201.21
<b>Total</b>	<b>5,988.17</b>	<b>6,606.21</b>

## 18 BORROWINGS (OTHER THAN DEBT SECURITIES)

### At amortised cost

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(A)</b>		
<b>(a) From Bank (Other than Related Party)</b>		
<b>Unsecured Loans (Refer note 18.1 below)</b>		
(i) Term loan		
- To be settled within twelve months after reporting date;	291.59	-
- To be settled after twelve months after reporting date;	4,907.98	2,749.62
<b>(b) From Bank (Related Party)</b>		
<b>Secured Loans (Refer note 18.2 below)</b>		
(i) Working capital loans		
- To be settled within twelve months after reporting date;	17,753.30	15,040.78
(ii) Foreign currency working capital loans		
- To be settled within twelve months after reporting date;	-	404.98
<b>(c) From Bank (other than Related Party)</b>		
<b>Secured Loans (Refer note 18.2 below)</b>		
(i) Working capital loans		
- To be settled within twelve months after reporting date;	9,040.34	4,947.49
<b>Total (A)</b>	<b>31,993.21</b>	<b>23,142.86</b>
<b>(B)</b>		
Borrowings in India	31,993.21	23,142.86
<b>Total (B)</b>	<b>31,993.21</b>	<b>23,142.86</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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, 2024	As at March 31, 2023
8.03 % Unsecured Term Loan (Bullet repayment in Jun'25)		500.00	500.00
8.34 % Unsecured Term Loan (Bullet repayment in Jan'26)		500.00	500.00
8.05 % Unsecured Term Loan (Bullet repayment in Mar'26)		250.00	250.00
8.26 % Unsecured Term Loan (Bullet repayment in May'26)		500.00	500.00
8.32 % Unsecured Term Loan (Bullet repayment in May'26)		250.00	-
8.24 % Unsecured Term Loan (Bullet repayment in Jul'26)		475.00	-
8.14 % Unsecured Term Loan (Bullet repayment in Jul'26)		250.00	-
8.00 % Unsecured Term Loan (Bullet repayment in Sep'26)		475.00	-
8.00 % Unsecured Term Loan (Bullet repayment in Dec'26)		500.00	-
8.00 % Unsecured Term Loan (Bullet repayment in Mar'27)		500.00	-
7.85 % Unsecured Term Loan (repayment as below)		499.81	<b>499.81</b>
Repayment in July ' 24	124.81		124.81
Repayment in July ' 25	125.00		125.00
Repayment in July ' 26	125.00		125.00
Repayment in Apr ' 27	125.00		125.00
7.90 % Unsecured Term Loan (repayment as below)		-	<b>499.90</b>
Repayment in Feb ' 27			124.90
Repayment in Feb ' 28			375.00
8.35 % Unsecured Term Loan qtrly repayment effective June 24 till March 27 @ ₹ 41.67 Crores		500.00	
<b>Total</b>		<b>5,199.81</b>	<b>2,749.71</b>
Interest accrued and impact of EIR		(0.24)	(0.09)
<b>Total</b>		<b>5,199.57</b>	<b>2,749.62</b>

## 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, 2024 includes cash credit (related party): ₹40.41 Crores (March 31, 2023 ₹ 68.94 Crores)

Interest rate on working capital loans varies from 7.40% to 7.87% and on cash credit facility varies from 8.55% to 9.00%

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 19 SUBORDINATED LIABILITIES

### At amortised cost

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(A)</b>		
<b>Unsecured non-convertible debentures</b>		
- Redeemable within twelve months after reporting date; and	40.61	763.19
- Redeemable after twelve months after reporting date;	1,869.09	597.35
<b>Total (A)</b>	<b>1,909.70</b>	<b>1,360.54</b>
<b>(B)</b>		
Subordinated liabilities in India	1,909.70	1,360.54
<b>Total (B)</b>	<b>1,909.70</b>	<b>1,360.54</b>

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, 2024	As at March 31, 2023
8.30% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in May'23)	-	500.00
8.10% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Oct'23)	-	200.00
9.55% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Jan'29)	250.00	250.00
8.99% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Jun'29)	100.00	100.00
8.25% Unsecured NCD of ₹ 10,000,000 each (Redeemable at par in Jun'32)	250.00	250.00
8.33% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Jan'34)	525.00	-
8.29% Unsecured NCD of ₹ 1,000,000 each (Redeemable at par in Feb'34)	750.00	-
<b>Total</b>	<b>1,875.00</b>	<b>1,300.00</b>
Interest accrued and impact of EIR	34.70	60.54
<b>Total</b>	<b>1,909.70</b>	<b>1,360.54</b>

### Net Debt reconciliation for the year ended March 31, 2024

Particulars	Opening Balance	Cashflows	Non Cash Changes			Closing balance
			Interest /amortisation	Foreign Exchange Movement	Others	
<b>Debt Securities</b>						
Debentures	6,606.21	(640.00)	21.96	-	-	5,988.17
<b>Borrowings (other than debt securities)</b>						
Working capital loans	19,988.26	6,805.34	0.04	-	-	26,793.64
Term Loan	2,749.62	2,450.10	(0.15)	-	-	5,199.57
Foreign currency working capital loans	404.98	(400.00)	(1.84)	(3.14)	-	(0.00)
<b>Subordinated Liabilities</b>						
Debentures	1,360.54	575.00	(25.85)	-	-	1,909.70
<b>Total</b>	<b>31,109.61</b>	<b>8,790.44</b>	<b>(5.84)</b>	<b>(3.14)</b>	<b>-</b>	<b>39,891.08</b>

# 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 /amortisation	Foreign Exchange Movement	Others	
<b>Debt Securities</b>						
Commercial papers	815.16	(809.42)	(5.74)	-	-	-
Debentures	6,291.18	265.00	50.03	-	-	6,606.21
<b>Borrowings (other than debt securities)</b>						
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
<b>Subordinated Liabilities</b>						
Debentures	1,196.02	150.00	14.52	-	-	1,360.54
<b>Total</b>	<b>22,982.46</b>	<b>8,063.50</b>	<b>60.51</b>	<b>3.14</b>	<b>-</b>	<b>31,109.61</b>

## 20 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Payable within twelve month after reporting period</b>		
Unpaid dividends	70.46	216.01
Payable to Network Partners	2069.15	700.14
Excess amount from Card holders	317.40	312.08
Lease liability*	99.91	92.49
Other liabilities	64.54	34.64
<b>Payable after twelve months after reporting date</b>		
Lease liability*	323.71	328.98
<b>Total</b>	<b>2945.17</b>	<b>1684.34</b>

\* Refer note 43

## 21 PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Employee Benefits</b>		
<b>(i) Liabilities to be settled within twelve months after reporting date</b>		
- Provision for compensated absence	5.52	6.10
- Provision for long service awards	1.17	1.18
- Provision for bonus & Incentive Payable	51.77	67.21
<b>Sub Total (A)</b>	<b>58.46</b>	<b>74.49</b>
<b>(ii) Liabilities to be settled after twelve months after reporting date</b>		
- Provision for compensated absence	11.34	10.70
- Provision for long service awards	4.36	3.83
- Provision for gratuity	1.48	-
<b>Sub Total (B)</b>	<b>17.18</b>	<b>14.53</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Others</b>		
<b>(i) Liabilities to be settled within twelve months after reporting date</b>		
- Provision for reward points redemption*	382.63	374.52
<b>Sub Total (C)</b>	<b>382.63</b>	<b>374.52</b>
<b>(ii) Liabilities to be settled after twelve months after reporting date</b>		
- Provision for reward points redemption*	177.36	174.45
<b>Sub Total (D)</b>	<b>177.36</b>	<b>174.45</b>
<b>Total (A+B+C+D)</b>	<b>635.63</b>	<b>637.99</b>

\* Refer note 40

## 22 OTHER NON FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Liabilities to be settled within twelve months after reporting date:</b>		
Revenue received in advance- Unamortised membership fees *	579.17	531.44
Statutory liabilities	406.43	298.91
Fees received in advance	101.09	46.15
<b>Total</b>	<b>1086.69</b>	<b>876.50</b>

\* Refer note 35

## 23 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised Capital</b>				
Equity shares of ₹10 each	1,500,000,000	1,500.00	1,500,000,000	1,500.00
	<b>1,500,000,000</b>	<b>1,500.00</b>	<b>1,500,000,000</b>	<b>1,500.00</b>
<b>Issued, Subscribed and Paid up</b>				
Equity shares of ₹10 each	950,968,519	950.97	946,074,389	946.07
<b>Total</b>	<b>950,968,519</b>	<b>950.97</b>	<b>946,074,389</b>	<b>946.07</b>

### (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, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Reconciliation of the number of shares</b>				
Balance as at the beginning of the year	946,074,389	946.07	943,172,489	943.18
Movements*	4,894,130	4.90	2,901,900	2.90
<b>Balance as at the end of the year</b>	<b>950,968,519</b>	<b>950.97</b>	<b>946,074,389</b>	<b>946.07</b>

\* During the year ended March 31, 2024, 4,894,130 Equity shares (Previous year 2,901,900) 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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## (iii) Shares held by Holding Company (face value of ₹ 10/- each)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Shares held by State Bank of India	652,633,992	652.63	652,633,992	652.63

## (iv) Shares held by each shareholder holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	%	Number of Shares	%	Number of Shares
<b>Holding Company</b>				
Shares held by State Bank of India	68.63%	652,633,992	68.98%	652,633,992

## (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 Plans to employees of the Company drawn in accordance with SEBI guidelines 1999	28,541,905
b. Option granted under the scheme up to March 31, 2024	14,047,527
c. Option cancelled up to March 31, 2024 and added back to pool for future grants	771,965
d. Option granted net of cancellation under the scheme up to March 31, 2024 (d= b-c)	13,275,562
e. Balance available under the scheme for future grants (e= a-d)	15,266,343

## (vi) Shares held by promoters at the end of the year

Particulars	As at March 31, 2024	As at March 31, 2023
Promoter name	State Bank of India	State Bank of India
No. of Shares	652,633,992	652,633,992
% of total shares	68.63%	68.98%
% Change during the year	(0.36%)	(0.21%)

## 24 OTHER EQUITY

Particulars	As at March 31, 2024	As at March 31, 2023
Capital redemption reserve (refer note 24.1 below)	3.40	3.40
Statutory reserve (refer note 24.2 below)	2,268.35	1,786.77
General reserve (refer note 24.3 below)	24.37	21.12
Capital reserve (on account of amalgamation) (refer note 24.4 below)	(71.51)	(71.51)
Securities Premium reserve (refer note 24.5 below)	1,154.93	1,049.16
Retained earnings (refer note 24.6 below)	7,728.02	6,042.02
Share options outstanding account (refer note 24.7 below)	12.75	40.13
Cash flow hedging reserve (refer note 24.8 below)	-	(0.34)
Share application money pending allotment (refer note 24.9 below)	0.04	-
Equity investment through OCI (refer note 24.10 below)	12.71	13.23
<b>Total</b>	<b>11,133.06</b>	<b>8,883.99</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 24.1 Capital redemption reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	3.40	3.40
<b>Balance as at the end of the year</b>	<b>3.40</b>	<b>3.40</b>

**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, 2024	As at March 31, 2023
Balance as at the beginning of the year	1,786.77	1,335.08
Add: Transferred from Retained Earning @ 20%*	481.58	451.69
<b>Balance as at the end of the year</b>	<b>2,268.35</b>	<b>1,786.77</b>

**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, 2024	As at March 31, 2023
Balance as at the beginning of the year	21.12	13.11
Add: Amount transferred from Share options outstanding account*	1.86	2.12
Add: Amount transferred from retained earnings for unclaimed customer credit balance above 10 years **	1.39	5.89
<b>Balance as at the end of the year</b>	<b>24.37</b>	<b>21.12</b>

**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

## 24.4 Capital reserve (on account of amalgamation)

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	(71.51)	(71.51)
<b>Balance as at the end of the year</b>	<b>(71.51)</b>	<b>(71.51)</b>

**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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 24.5 Securities premium

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	1049.16	988.09
Add: During the period *	69.55	41.24
Add: Transfer from share options outstanding account **	36.22	19.83
<b>Balance as at the end of the year</b>	<b>1154.93</b>	<b>1049.16</b>

**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, 2024 and March 31, 2023 addition during the year represents securities premium received on account of ESOP allotment.

\*\* Refer note 24.7

## 24.6 Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	6042.02	4,481.06
Add: Profit for the period	2407.88	2258.47
Less: Interim equity dividend	(237.74)	(236.52)
Less: Amount transferred from retained earnings for unclaimed customer credit balance above 10 years	(1.39)	(5.89)
Add: Transfer From Other Comprehensive Income	(1.17)	(3.41)
Less: Transfer to Statutory reserve (Section 45-IC of The Reserve Bank of India Act, 1934) @20% of PAT	(481.58)	(451.69)
<b>Balance as at the end of the year</b>	<b>7,728.02</b>	<b>6,042.02</b>

**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, 2024	As at March 31, 2023
Balance as at the beginning of the year	40.13	47.97
Add: During the Period	10.70	14.11
Less: Transfer on allotment of shares to employees pursuant to ESOP scheme	(36.22)	(19.83)
Less: Transfer to general reserve	(1.86)	(2.12)
<b>Balance as at the end of the year</b>	<b>12.75</b>	<b>40.13</b>

**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.

## 24.8 Cash flow hedge reserve

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year	(0.34)	-
Add: During the period	0.46	(0.46)
Add: Deferred tax adjustment	(0.12)	0.12
<b>Balance as at the end of the year</b>	<b>-</b>	<b>(0.34)</b>



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

**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 recognised 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, 2024	As at March 31, 2023
Balance as at the beginning of the year	-	-
Add: Shares application money pending allotment pursuant to ESOP	0.04	-
Less: Shares allotment pursuant to scheme of amalgamation	-	-
<b>Balance as at the end of the year</b>	<b>0.04</b>	<b>-</b>

**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, 2024	As at March 31, 2023
Balance as at the beginning of the year	13.23	12.32
Add: Fair valuation through OCI*	(0.69)	1.21
Add: Deferred tax adjustment	0.17	(0.30)
<b>Balance as at the end of the year</b>	<b>12.71</b>	<b>13.23</b>

**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 for each reporting period.

## 25 INTEREST INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on loans	7,744.72	6,050.17
Interest Income from Investment	181.87	102.41
Interest on deposits with banks	0.53	0.39
<b>Total</b>	<b>7,927.12</b>	<b>6,152.97</b>

## 26 FEES AND COMMISSION INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interchange income	4,294.16	3,557.79
Fee based income	2,740.26	2,075.84
Membership fees	1,130.27	970.52
<b>Total</b>	<b>8,164.69</b>	<b>6,604.15</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 27 OTHER INCOME

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Bad debts recovered	491.18	584.96
Profit on sale of property, plant & equipment	-	0.17
Net gain on foreign currency transactions	-	9.04
Profit on sale of Investment	-	0.48
Liabilities/Provisions written back	0.06	0.09
Interest Income - Income Tax and GST Tax Refund	17.27	3.27
Miscellaneous income	6.57	21.02
<b>Total</b>	<b>515.08</b>	<b>619.03</b>

## 28 FINANCE COSTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(A) At Amortised cost</b>		
Interest on borrowings	2,042.67	1,036.27
Interest on debt securities	430.12	473.60
Interest on subordinated liabilities	81.47	107.14
Interest expense on lease liability	35.06	26.85
<b>Total (A)</b>	<b>2,589.32</b>	<b>1,643.86</b>
<b>(B) Financial instruments designated as hedging instruments</b>		
Cost of Hedging	5.90	3.77
<b>Total (B)</b>	<b>5.90</b>	<b>3.77</b>
<b>Total ( A+B )</b>	<b>2,595.22</b>	<b>1,647.63</b>

## 29 IMPAIRMENT ON FINANCIAL INSTRUMENTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On loans	3,286.54	2,155.36
On Others		
- financial assets	0.88	3.69
<b>Total</b>	<b>3,287.42</b>	<b>2,159.05</b>

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Bad debt written-off	2,880.54	1,888.85
Impairment loss on other financial assets	0.88	3.69
Impairment loss on loans [Stage 1, 2 and 3 assets]	406.00	266.51
<b>Total</b>	<b>3,287.42</b>	<b>2,159.05</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 30 EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages	504.69	494.61
Contribution to provident fund and other funds	31.63	29.66
Share based payments to employees	10.70	14.11
Staff welfare expenses	22.67	23.51
<b>Total</b>	<b>569.69</b>	<b>561.89</b>

## 31 DEPRECIATION, AMORTISATION AND IMPAIRMENT

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on property, plant and equipment	26.32	19.02
Amortisation on intangible assets	59.81	57.91
Depreciation on right to use assets	110.62	86.88
<b>Total</b>	<b>196.75</b>	<b>163.81</b>

## 32 OPERATING AND OTHER EXPENSES

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of plastic cards & embossing	63.64	46.66
Short-term lease expense	34.79	34.91
Variable lease expenses	207.65	164.28
Travelling and conveyance	19.28	18.12
Telephone, fax and postage	63.70	61.50
Card transaction charges	717.39	636.41
Advertisement	146.91	135.85
Director's fees, allowances and expenses	1.15	1.18
Sales Promotion	2,370.46	2,183.20
Insurance expense	20.08	17.66
Professional & Consulting fees	237.25	221.30
Rates and taxes	67.96	55.07
Collection charges	360.86	262.18
Repairs and maintenance	25.75	25.01
Auditor's remuneration (refer note 39)	0.76	0.60
Power and fuel	4.31	4.41
Printing, stationery and office supplies	47.45	56.16
Royalty Expenses	48.16	45.17
Reward points redemption	973.73	901.94
Surcharge Waiver to Customer	84.87	73.43
Corporate social responsibility expenditure*	43.74	37.98
Data processing charges	416.83	366.85
Net loss on foreign currency transactions	2.82	-
Loss on sale of property, plant & equipment	0.03	-
Other expenses	0.91	1.36
<b>Total</b>	<b>5,960.48</b>	<b>5,351.22</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## \* Corporate social responsibility expenditure

Pursuant to section 135 of the Companies Act, 2013 the Company is required to spend ₹43.74 Crores during the Financial Year 2023-24 calculated as per Section 198 of the Companies Act 2013.

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
CSR Expenses	43.74	37.98
<b>Total</b>	<b>43.74</b>	<b>37.98</b>

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) amount required to be spent by the Company during the year,	43.74	37.98
(b) amount of expenditure incurred, * [Refer below details]	43.74	37.98
(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	NIL

## \* Details of expenditure

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Amount disbursed and utilised (including administrative and impact assessment)	34.87	34.56
Amount spent over and above disbursed amount - deposited to unspent account	NIL	NIL
Amount disbursed but unutilised - deposited to unspent account	NIL	NIL
Amount neither disbursed nor utilised - deposited to unspent account**	8.87	3.42
<b>Total</b>	<b>43.74</b>	<b>37.98</b>

\*\* Amount represents, committed expenditure for on going projects which is yet to be disbursed as at the end of each reporting period.

## 33 TAX EXPENSE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax</b>		
In respect of the current period	935.09	803.20
In respect of prior year	(3.68)	(3.91)
	<b>931.41</b>	<b>799.29</b>
<b>Deferred tax</b>		
In respect of the current period	(111.12)	(31.05)
In respect of prior year	3.64	3.86
<b>Total income tax expense recognised in the current period</b>	<b>(107.49)</b>	<b>(27.19)</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

The income tax expense for the period can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax from continuing operations	3,231.80	3,030.57
Income tax expense calculated at 25.168%	813.38	762.73
Corporate social responsibility / Others	10.60	9.41
<b>Total</b>	<b>823.98</b>	<b>772.14</b>
Adjustments recognised in the current year in relation to the current tax / deferred tax of prior years	(0.04)	(0.05)
<b>Income tax expense recognised in profit or loss</b>	<b>823.93</b>	<b>772.10</b>

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Current tax</b>		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	-	-
<b>Total current tax recognised in other comprehensive income</b>	<b>-</b>	<b>-</b>
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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Deferred tax</b>		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation	0.39	1.15
Gain/(loss) on Investment in Equity	0.17	(0.30)
Remeasurement of fair value of derivative	(0.12)	0.12
<b>Total deferred tax recognised in other comprehensive income</b>	<b>0.44</b>	<b>0.96</b>
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	0.56	0.84
Items that may be reclassified to profit or loss	(0.12)	0.12
<b>Total</b>	<b>0.44</b>	<b>0.96</b>

## 34 EARNING /(LOSS) PER EQUITY SHARE

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a Net Profit After Tax	2,407.88	2,258.47
b Weighted average of number of equity shares used in computing basic per share (in Crores)	94.82	94.43
c Effect of dilution: Employee stock options (in Crores)	0.09	0.47
d Weighted average of number of equity shares used in computing diluted earnings per share (in Crores) (b+c)	94.92	94.90
e Basic earning per share (a/b)	25.39	23.92
f Diluted earning per share (a/d)	25.37	23.80

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 35 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, 2024	For the year ended March 31, 2023
Fees and commission income	8,164.69	6,604.15
Sale of services	163.61	165.77
Business development incentive income	709.85	740.30
Insurance commission income	3.15	3.45
<b>Total Revenue</b>	<b>9,041.30</b>	<b>7,513.67</b>

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 are typically long-term in nature (typically ranging from 3-5 years). Consideration is variable based upon the number of transactions processed and volume of activity on the cards. At March 31, 2024, the estimated aggregate consideration allocated to unsatisfied performance obligations for these other value-added services is Nil (previous period: ₹334.44 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

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	For the year ended March 31, 2024	For the year ended March 31, 2023
Trade Receivable *	243.08	142.16
Contract asset **	291.85	388.12
<b>Total-Gross</b>	<b>534.93</b>	<b>530.28</b>
To be realised within 12 months from reporting date	534.93	195.84
To be realised after 12 months from reporting date	-	334.44

(\*) 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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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, 2024	As at March 31, 2023
Opening balance	388.12	187.89
Movement during the year	(96.27)	200.23
<b>Closing balance</b>	<b>291.85</b>	<b>388.12</b>
To be realised within 12 months from reporting date	291.85	53.68
To be realised after 12 months from reporting date	-	334.44

## 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 portfolio.
- 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, 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, 2024	As at March 31, 2023
Opening balance	1,051.31	754.72
Capitalised during the year	1,781.59	1,914.16
Amortised during the year	(1,741.94)	(1,617.58)
<b>Closing balance *</b>	<b>1,090.96</b>	<b>1,051.31</b>
To be realised within 12 months from reporting date	487.07	485.40
To be realised after 12 months from reporting date	603.89	565.91

\* The unamortised contract costs are disclosed in Note 14 to financial statements.

## 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 reversals/ cancellations.

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	531.44	441.16
Received during the year	1,197.20	1,078.81
Recognised during the year	(1,149.47)	(988.53)
<b>Closing balance *</b>	<b>579.17</b>	<b>531.44</b>
To be realised within 12 months from reporting date	579.17	531.44
To be realised after 12 months from reporting date	-	-

\* Contract liabilities are disclosed in note 22 to financial statements

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 36 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 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, 2024	As at March 31, 2023
Tier I Capital	10,496.35	8,395.40

#### Details of Tier 2 capital are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Tier II Capital	2,552.96	1,115.12

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).

### (B) Key capital Ratios

Capital Risk Adjusted Ratio (CRAR) maintained and monitored by Company is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR -Tier I Capital	16.51%	20.37%
CRAR - Tier II Capital	4.02%	2.71%
<b>Total CRAR</b>	<b>20.53%</b>	<b>23.08%</b>

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, 2024, 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 2023-24 in accordance with Section 123(3) of the Companies Act, 2013, as amended. (March 31, 2023 - ₹ 2.50 per equity share of the face value of ₹ 10.00)



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 37 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, 2024, 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			
<b>Assets:</b>						
Cash and cash equivalents (Refer Note 5)	2,482.05	-	-	-	2,482.05	2,482.05
Bank Balance other than Cash and cash equivalents (Refer Note 6)	247.57	-	-	-	247.57	247.57
Trade Receivable (Refer Note 7)	243.08				243.08	243.08
Loans (Refer Note 8)	49,078.95	-	-	-	49,078.95	48,572.71
Investments (Refer Note 9)	3,500.69	-	18.44	-	3,519.13	3,530.95
Other financial assets (Refer Note 10)						
Contract asset	291.85	-	-	-	291.85	291.85
Security deposits	25.35	-	-	-	25.35	21.64
Others	12.84	-	-	-	12.84	12.84
<b>Total</b>	<b>55,882.38</b>	<b>-</b>	<b>18.44</b>	<b>-</b>	<b>55,900.81</b>	<b>55,402.69</b>
<b>Liabilities:</b>						
Trade payables (Refer Note 16)	1,507.71	-	-	-	1,507.71	1,507.71
Other payables (Refer Note 16)	20.92	-	-	-	20.92	20.92
Debt securities (Refer Note 17)	5,988.17	-	-	-	5,988.17	5,968.47
Borrowings (Other than Debt Securities (Refer Note 18)	31,993.21	-	-	-	31,993.21	32,012.53
Subordinated liabilities (Refer Note 19)	1,909.70	-	-	-	1,909.70	1,976.31
Other financial liabilities (Refer Note 20)						
Payable to Network Partners	2,069.15	-	-	-	2,069.15	2,069.15
Excess amount from Card holders	317.40	-	-	-	317.40	317.40
Unpaid dividends	70.46	-	-	-	70.46	70.46
Lease liabilities	423.62	-	-	-	423.62	423.62
Others	64.54	-	-	-	64.54	64.54
<b>Total</b>	<b>44,364.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,364.88</b>	<b>44,431.11</b>

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			
<b>Assets:</b>						
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

# 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			
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
<b>Total</b>	<b>43,394.66</b>	<b>-</b>	<b>19.13</b>	<b>-</b>	<b>43,413.79</b>	<b>42,977.93</b>
<b>Liabilities:</b>						
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
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 dividend	216.01	-	-	-	216.01	216.01
Lease liabilities	421.47	-	-	-	421.47	421.47
Other	34.64	-	-	-	34.64	34.64
<b>Total</b>	<b>34,199.91</b>	<b>-</b>	<b>-</b>	<b>1.10</b>	<b>34,201.01</b>	<b>31,371.29</b>

## Hierarchy of Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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).

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 at the end of each reporting period.

## 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, 2024	As at March 31, 2023		
Foreign currency forward contracts not designated in hedge accounting relationships (Refer foreign currency risk management related disclosures given below)	(0.00)	(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*	18.44	19.13	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.
	3.2% equity investment in Online PSB Loans Ltd (formerly known as Capitaworld Private Limited). Company is a fintech startup engaged in the business of providing Smart & Digital lending platform and market place	3.2% equity investment in Online PSB Loans Ltd (formerly known as Capitaworld Private Limited). Company is a fintech startup engaged in the business of providing Smart & Digital lending platform and market place		

\*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, 2024 are:

Particulars	Carrying value	Fair value	Fair value measurement at end of the reporting period/year using		
			Level 1	Level 2	Level 3
<b>Assets:</b>					
Loans	49,078.95	48,572.71	-	-	48,572.71
Investment	3,519.13	3,530.95	3,512.51	-	18.44
Other Financial assets					
Contract Asset	291.85	291.86	-	-	291.86
Security Deposits	25.35	21.64	-	-	21.64
<b>Total</b>	<b>52,915.28</b>	<b>52,417.16</b>	<b>3,512.51</b>	<b>-</b>	<b>48,904.65</b>
<b>Liabilities:</b>					
Debt Securities	5,988.17	5,968.47	2,838.06	-	3,130.41
Borrowings (Other than Debt Securities)	31,993.21	32,012.53	-	-	32,012.53
Subordinated Liabilities	1,909.70	1,976.31	1,935.69	-	40.62
<b>Total</b>	<b>39,891.08</b>	<b>39,957.31</b>	<b>4,773.75</b>	<b>-</b>	<b>35,183.56</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Fair value of 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
<b>Assets:</b>					
Loans	39,360.98	38,991.39	-	-	38,991.39
Investment	2,139.69	2,130.60	2,130.60	-	-
Other Financial assets					
Contract Asset	388.12	337.25	-	-	337.25
Security Deposit	25.47	19.16	-	-	19.16
<b>Total</b>	<b>41,914.25</b>	<b>41,478.40</b>	<b>2,130.60</b>	<b>-</b>	<b>39,347.80</b>
<b>Liabilities:</b>					
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
<b>Total</b>	<b>31,109.61</b>	<b>28,279.89</b>	<b>5,466.89</b>	<b>-</b>	<b>22,813.00</b>

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, 2024	Unlisted shares irrevocably as at FVTOCI as at March 31, 2023
Opening balance	19.13	17.92
Total gains or losses:	-	-
in profit or loss	-	-
in other comprehensive income	(0.69)	1.21
Purchases/Issues/Acquisition	-	-
Disposals/ settlements	-	-
Transfers out of level 3	-	-
<b>Closing balance</b>	<b>18.44</b>	<b>19.13</b>

## 38 FINANCIAL RISK MANAGEMENT

### 38.1 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 categorised 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, 2024	As at March 31, 2023
Assets	44,860.38	35,885.09
Liabilities	35,156.43	25,554.60
Variation	9,703.95	10,330.49

### 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, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
50 bps Impact on Profit on variation shown above	(23.41)	23.41	(22.12)	22.12
100 bps Impact on Profit on variation shown above	(46.82)	46.82	(44.24)	44.24
200 bps Impact on Profit on variation shown above	(93.65)	93.65	(88.48)	88.48

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, 2024	As at March 31, 2023
Investments- Modified duration	2.44	2.37

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 2023-24:

Particulars	Liabilities				Assets			
	As at March 31, 2024	As at December 31, 2023	As at September 30, 2023	As at June 30, 2023	As at March 31, 2024	As at December 31, 2023	As at September 30, 2023	As at June 30, 2023
Hedged Positions	-	-	409.06	404.04	-	-	-	24.61
Unhedged Positions	157.62	146.65	136.48	134.04	122.81	97.49	84.37	101.21
<b>Total</b>	<b>157.62</b>	<b>146.65</b>	<b>545.54</b>	<b>538.08</b>	<b>122.81</b>	<b>97.49</b>	<b>84.37</b>	<b>125.82</b>

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
<b>Total</b>	<b>546.59</b>	<b>523.75</b>	<b>112.27</b>	<b>103.28</b>	<b>110.37</b>	<b>128.12</b>	<b>98.78</b>	<b>110.67</b>

### 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 2023-24

Foreign currency sensitivity analysis impact (Net basis)	As at March 31, 2024		As at December 31, 2023		As at September 30, 2023		As at June 30, 2023	
	5%	10%	5%	10%	5%	10%	5%	10%
Change in exchange rate by								
Currency depreciating by	(1.74)	(3.48)	(2.46)	(4.92)	(2.61)	(5.21)	(1.64)	(3.28)
Currency appreciating by	1.74	3.48	2.46	4.92	2.61	5.21	1.64	3.28

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	
	5%	10%	5%	10%	5%	10%	5%	10%
Change in exchange rate by								
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)

# 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 monitor, 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, 2024	As at March 31, 2023
Financial Liability (< 6 Months)- Borrowings	Buy	USD	\$0.00	83.37	-	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, 2024 and March 31, 2023.

Description	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	(0.34)	-
Gain/(loss) recognised in other comprehensive income during the year	0.46	(0.46)
Amount reclassified to profit or loss during the year	-	-
Tax impact on above	(0.12)	0.12
<b>Balance at the end of the year</b>	<b>-</b>	<b>(0.34)</b>

## Contracts not designated under hedge relationship

NIL for the year ended March 31, 2024 and March 31, 2023

## Unhedged Position of the Company is as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Currency (In Crores)	Amount	Currency (In Crores)	Amount
Financial Liability	\$1.89	157.62	\$1.72	141.61
Financial Asset	\$1.47	122.81	\$1.34	110.37

# 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 Card 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 Card 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, the Company 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 Card allows exposure to corporates against liquid securities (e.g. Fixed Deposit & Bank Guarantee). For all secured corporate card exposures, SBI Card 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

The Company 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. The Company 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, unauthorised 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 prioritise 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 prioritise efforts. For secured cards, liens on FDs / BGs are invoked

## B. Credit risk analysis

This section analyses Company's credit risk split as follows;

- Exposure to credit risk** - Analysis of overall exposure to credit risk before and after credit risk mitigation.
- Credit quality analysis** - Analysis of overall loan portfolio by credit quality.
- Impairment** - Analysis of non-performing / impaired loans.
- Credit risk mitigation** - Analysis of collaterals held by client segment and collateral type.

### (a) Exposure to credit risk

Maximum exposure to credit risk is given below:

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and bank balances	2,729.62	1,354.47
Trade Receivables	243.08	142.16
Loans	49,078.95	39,360.98
Investment	3,519.13	2,139.69
Other Financial Assets	330.03	416.49
<b>Total</b>	<b>55,900.81</b>	<b>43,413.79</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Loans to customer includes loans secured by lien on Fixed deposits and Bank Guarantee held with third party banks. Secured loans account for 0.54% as at March 31, 2024, (0.72% as at March 31, 2023) of total loans.

Notes:

- Loans to customers which accounts for 87.8% of total exposure to credit risk, as at March 31, 2024, 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 amortised 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 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 Crores

Single Borrower and Group Borrower exposure as on:

Description	Single Borrower exposure	Group Borrower exposure
March 31, 2024	0.84%	1.38%
March 31, 2023	1.07%	1.48%

The following tables gives credit risk / exposure concentration by client segment

## Concentration by client portfolio segment

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

The following table sets out an analysis of risk concentration of loans to customers split by client segment

Portfolio segment	As at March 31, 2024	As at March 31, 2023
Corporate - Secured	10.74	8.80
Corporate - Unsecured	165.19	89.19
Retail - Secured	263.79	274.66
Retail - Unsecured	50,405.87	40,348.98
<b>Total</b>	<b>50,845.59</b>	<b>40,721.62</b>

## (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. Hard blocks are permanent blocks in scenarios such as Death, Voluntary closure or NPA which prevent any further use of the card. Soft blocks are temporary blocks put in response to certain triggers like missed payment, over limit usage, etc. which are removed once the issue is resolved. A breakdown of loans by credit quality is given below.

### By Portfolio Segment

Credit risk classification/ Staging	As at March 31, 2024	As at March 31, 2023
Strong - Low risk (Stage 1)	46,539.14	37,546.64
Satisfactory- Medium risk (Stage 2)	2,902.22	2,217.45
High Risk (Stage 3)	1,404.23	957.53
<b>Total</b>	<b>50,845.59</b>	<b>40,721.62</b>

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 recognised.
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.

### 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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## (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

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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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 unutilised credit limit which is expected to be utilised till the time of default. CCF is applicable only for stage 1 accounts, as stage 2 and stage 3 accounts cannot utilise the unused credit limit.  $CCF \% = \text{Utilisation (t+12)} - \text{Utilisation (t)}$  i.e. change of utilisation 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)

## Segment wise PD and LGD as at March 31, 2024 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	1.32%	0.00%	0.00%	70.70%	70.70%	70.70%
Retail - Secured	2.20%	5.15%	100%	23.71%	23.71%	23.71%
Retail - Unsecured	2.17%	6.78%	100%	64.90%	64.90%	64.90%

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 > INR 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 > INR 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 4	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, 2024			As at March 31, 2023		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	10.71	0.03	-	8.63	0.17	-
Corporate - Unsecured	165.19	-	-	89.19	-	-
Retail - Secured	257.79	5.45	0.55	267.02	6.55	1.08
Retail - Unsecured	46,105.44	2,896.74	1,403.69	37,181.80	2,210.73	956.45
<b>Gross Exposure</b>	<b>46,539.14</b>	<b>2,902.22</b>	<b>1,404.23</b>	<b>37,546.64</b>	<b>2,217.45</b>	<b>957.53</b>
Less : Impairment loss	727.96	127.43	911.25	647.39	104.41	608.83
<b>Carrying Amount</b>	<b>45,811.18</b>	<b>2,774.79</b>	<b>492.98</b>	<b>36,899.24</b>	<b>2,113.04</b>	<b>348.70</b>

Below table shows the breakup of Impairment loss provision

Portfolio Segment	As at March 31, 2024			As at March 31, 2023		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Corporate - Secured	-	-	-	-	-	-
Corporate - Unsecured	2.63	-	-	1.01	-	-
Retail - Secured	1.34	0.07	0.13	2.07	0.10	0.29
Retail - Unsecured *	723.98	127.36	911.12	644.32	104.31	608.54
<b>Total Impairment loss</b>	<b>727.96</b>	<b>127.43</b>	<b>911.25</b>	<b>647.39</b>	<b>104.41</b>	<b>608.83</b>

\* 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	As at March 31, 2024				As at March 31, 2023			
	Balance Outstanding	CCF Amt	Total EAD	ECL Amount	Balance Outstanding	CCF Amt	Total EAD	ECL Amount
Corporate - Secured	46,105.44	5,255.36	51,360.80	723.98	37,181.80	5,218.05	42,399.85	644.32
Corporate - Unsecured	165.19	116.52	281.71	2.63	89.19	-	89.19	1.01

CCF amount for other portfolio is NIL for both the years

As of March 31, 2024, there is NIL specific loss provision for Corporate unsecured customers (NIL as of March 31, 2023)

ECL % as per collective measurement model

ECL percentage Segment wise exposure	As at March 31, 2024			As at March 31, 2023		
	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	0.93%	0.00%	0.00%	1.13%	0.00%	0.00%
Retail - Secured	0.52%	1.22%	23.71%	0.78%	1.54%	26.72%
Retail - Unsecured	1.41%	4.40%	64.90%	1.52%	4.72%	63.62%

# 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, 2024:

Stages	Existing ECL	Upward			Downward		
		50 bps	100 bps	200 bps	50 bps	100 bps	200 bps
Stage 1	727.96	731.59	735.23	742.51	724.31	720.67	713.39
Stage 2	127.43	128.07	128.70	129.98	126.79	126.16	124.88
Stage 3	911.25	915.81	920.37	929.48	906.70	902.14	893.03
<b>Total</b>	<b>1,766.64</b>	<b>1,775.47</b>	<b>1,784.30</b>	<b>1,801.97</b>	<b>1,757.80</b>	<b>1,748.97</b>	<b>1,731.30</b>

## Movement of Impairment loss allowance:

Particulars	Stage 1	Stage 2	Stage 3
<b>Impairment loss allowance as at March 31, 2023</b>	647.39	104.41	608.83
<b>Movements during the year</b>			
Addition / Reduction during the year	(92.29)	(10.05)	1,930.25
Provision movement on account of asset sale	-	-	-
Write-offs during the period	-	-	(1,862.71)
New Addition during the year	172.86	33.07	234.88
<b>Impairment loss allowance as at March 31, 2024</b>	<b>727.96</b>	<b>127.43</b>	<b>911.25</b>

Particulars	Stage 1	Stage 2	Stage 3
<b>Impairment loss allowance as at March 31, 2022</b>	455.91	185.69	452.52
<b>Movements during the year</b>			
Addition / Reduction during the year	27.21	(111.53)	1,256.57
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
<b>Impairment loss allowance as at March 31, 2023</b>	<b>647.39</b>	<b>104.41</b>	<b>608.83</b>

## Movement of Impairment loss on Trade receivable, other financial assets and other non financial assets

For the year ended March 31, 2024

Particulars	Trade receivable	Other Financial assets	Other non Financial assets
Opening balance	2.85	2.68	6.35
Addition during the year	2.00	0.74	0.49
Reduction during the year	(2.85)	(0.13)	-
<b>Closing Balance</b>	<b>2.00</b>	<b>3.29</b>	<b>6.85</b>



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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)	-	-
<b>Closing Balance</b>	<b>2.85</b>	<b>2.68</b>	<b>6.35</b>

### (d) Credit risk mitigation

The below table shows the cover ratio of total NPA for the portfolio segment

#### As at March 31, 2024

Non Performing Loans	Retail Secured	Retail Unsecured
Loans	0.55	1,403.69
Loss Reserve(ECL)	0.13	911.12
Coverage	23.71%	64.91%

#### 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%

### 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 mobilisation 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:

# 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, 2024

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
<b>Financial Liabilities</b>									
Payable	1,322.25	146.51	26.21	2.36	30.80	0.50	-	-	1,528.63
Debt securities	-	532.82	568.18	537.21	1,489.96	2,050.00	810.00	-	5,988.17
Borrowings other than debt securities	7,120.33	3,604.66	2,648.53	2,939.45	10,772.26	4,783.33	124.65	-	31,993.21
Subordinated liabilities	-	-	6.68	14.95	13.06	-	250.00	1,625.00	1,909.69
Other Financial Liabilities	2,218.41	46.91	45.97	111.91	48.92	194.79	109.40	168.86	2,945.17
<b>Financial Liabilities Total</b>	<b>10,660.99</b>	<b>4,330.90</b>	<b>3,295.57</b>	<b>3,605.88</b>	<b>12,355.00</b>	<b>7,028.62</b>	<b>1,294.05</b>	<b>1,793.86</b>	<b>44,364.88</b>
<b>Financial Assets</b>									
Cash and cash equivalents	2,456.49	24.82	-	-	-	-	-	0.74	2,482.05
Bank Balances other than cash and cash equivalents	-	-	-	-	-	-	-	247.57	247.57
Trade receivable	4.91	27.56	192.51	18.10	-	-	-	-	243.08
Loans	19,800.12	8,050.74	4,877.21	7,008.81	3,711.91	5,137.16	-	493.00	49,078.95
Investments	274.68	179.86	14.82	591.60	130.83	532.53	1,075.05	719.76	3,519.13
Other Financial Assets	0.01	20.50	0.57	7.99	276.19	0.20	-	24.57	330.03
<b>Financial Assets Total</b>	<b>22,536.21</b>	<b>8,303.48</b>	<b>5,085.11</b>	<b>7,626.50</b>	<b>4,118.93</b>	<b>5,669.89</b>	<b>1,075.05</b>	<b>1,485.64</b>	<b>55,900.81</b>

## 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
<b>Financial Liabilities</b>									
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
<b>Financial Liabilities Total</b>	<b>7,375.66</b>	<b>6,273.01</b>	<b>6,332.23</b>	<b>1,601.87</b>	<b>3,861.04</b>	<b>6,620.22</b>	<b>1,373.86</b>	<b>762.02</b>	<b>34,201.01</b>
<b>Financial Assets</b>									
Cash and cash equivalents	989.05	-	-	-	-	-	-	0.74	989.79
Banks 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
<b>Financial Assets Total</b>	<b>16,886.89</b>	<b>6,552.79</b>	<b>4,133.80</b>	<b>5,993.57</b>	<b>3,542.77</b>	<b>4,683.02</b>	<b>828.59</b>	<b>792.36</b>	<b>43,413.79</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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
<b>As at March 31, 2024</b>									
Foreign exchange forward contract liabilities (Assets)	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2023</b>									
Foreign exchange forward contract liabilities (Assets)	-	-	-	-	1.10	-	-	-	1.10

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
<b>March 31, 2024</b>			
Less than 1 year	34,000.00	26,793.64	7,206.36
<b>March 31, 2023</b>			
Less than 1 year	25,000.00	20,393.24	4,606.76

## 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, 2024 would increase/decrease by ₹1.84 Crores, (for the year ended March 31, 2023 increase/decrease by ₹ 1.91 Crores) as a result of the changes in fair value of equity investments measured at FVTOCI

Particulars	As at March 31, 2024		As at March 31, 2023	
	Increase	Decrease	Increase	Decrease
10% value	1.84	(1.84)	1.91	(1.91)

## 39 AUDITORS' REMUNERATION (EXCLUDING GST/SERVICE TAX)\*

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit fee	0.38	0.36
Quarterly Limited Review fee	0.13	0.07
Tax audit fee	0.05	0.04
Fee for other services	0.13	0.08
Reimbursement of expenses	0.07	0.05
<b>Total</b>	<b>0.76</b>	<b>0.60</b>

\*Refer Note 33

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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, 2024	For the year ended March 31, 2023
a. Provision at the beginning of the year	548.97	410.14
b. Net addition during the year	816.31	809.52
c. Value of points redeemed during the year	(805.29)	(670.69)
<b>d. Provision at the end of the year* (a+b-c)</b>	<b>559.99</b>	<b>548.97</b>

\*Provision for reward points as at March 31, 2024 and March 31, 2023 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, 2024	For the year ended March 31, 2023
a. Provision at the beginning of the year	0.43	0.10
b. Additions / (Reduction) made during the year	0.25	0.39
c. Amount Paid during the year	0.17	0.06
<b>d. Provision at the end of the year (a+b-c)</b>	<b>0.51</b>	<b>0.43</b>

## 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

SBI Life Insurance Company Ltd.

### ii. Fellow subsidiaries

SBI Capital Markets Ltd.

SBI-SG Global Securities Services Pvt. Ltd.

SBICAP Securities Ltd.

SBI Funds Management Ltd.

SBICAP Trustee Company Ltd.

SBI Funds Management (International) Private Ltd.

SBICAP Ventures Ltd.

Commercial Indo Bank Llc, Moscow

SBI DFHI Ltd.

SBI Canada Bank

SBI Global Factors Ltd.

State Bank of India (California)

SBICAP (Singapore) Limited (Till November 30, 2022)

State Bank of India (UK) Limited

State Bank Operations Support Services Private Limited (From July 26, 2022)

State Bank of India Servicos Limitada (Brazil)

SBI Mutual Fund Trustee Company Pvt Ltd.

SBI (Mauritius) Ltd.

SBI Infra Management Solution Pvt. Ltd. (Till September 30, 2022)

PT Bank SBI Indonesia

SBI Payment Services Pvt. Ltd.

Nepal SBI Bank Ltd.

SBI Pension Funds Pvt Ltd.

Nepal SBI Merchant Banking Ltd.

SBI General Insurance Company Ltd.

SBI Foundation (not for Profit Company)

SBI Card Employees gratuity fund

SBI CDMDF Trustee Private Limited (w.e.f. July 25, 2023)

YES Bank Limited

Investec Capital Services (India) Private Limited

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## iii. Key managerial personnel

Mr. Dinesh Khara, Director

Mr. Rama Mohan Rao Amara, MD and CEO (Resigned w.e.f. August 11, 2023)

Mr. Abhijit Chakravorty, MD and CEO (Appointed w.e.f. August 12, 2023)

Mr. Ashwini Kumar Tewari (Till July 14, 2022 and Reappointed w.e.f. January 25, 2024)

Mr. Swaminathan Janakiraman (Appointed w.e.f. July 22, 2022 and Resigned w.e.f. June 26, 2023)

Mr. Nalin Negi (Till July 31, 2022)

Mr. Nitin Chugh (Appointed w.e.f. October 04, 2023)

Mr. Mihir Narayan Prasad Mishra, Director (Resigned w.e.f. July 31, 2023)

Mr. Debangshu Munshi (Appointed w.e.f. July 28, 2023 and Resigned w.e.f. January 04, 2024)

Dr. Tejendra Mohan Bhasin, Director

Mr. Rajendra Kumar Saraf, Director

Mr. Dinesh Kumar Mehrotra, Director

Ms. Anuradha Nadkarni, Director

Mr. Shrinivas Yeshwant Joshi, Director

Ms. Rashmi Mohanty, Chief Financial Officer (From October 21, 2022)

Ms. Payal Mittal Chhabra, Company Secretary

## 41.1 Transactions/balances outstanding with related parties for the Year ended/as at March 31, 2024

Particulars	Holding Entity	Fellow Subsidiaries	Key Managerial Personnel
	For the year ended March 31, 2024		
<b>a. Transactions during the period</b>			
Advertisement, sales promotion & collection	24.51	-	-
Cost allocations received*	4.28	-	-
Fees and commission, bank charges	207.48	-	-
Commission received	-	0.10	-
Personnel cost (Managerial remuneration salaries & other allowances)	-	-	7.17
Personnel cost (Managerial remuneration- post employment benefits)	-	-	0.08
Personnel cost (Managerial remuneration- share based payments)	-	-	0.33
Gratuity fund contribution	-	7.24	-
Interest income on fixed deposit	0.10	-	-
Finance charges	1,353.25	18.13	-
Borrowings taken	84,948.79	868.00	-
Borrowings repaid	83,704.52	10.00	-
Fixed deposit made	0.88	-	-
Fixed deposit matured	2.14	-	-
Royalty expenses	48.16	-	-
Loans and advances given and other adjustments	0.63	8.66	0.91
Loans and advances repaid	0.63	8.81	0.97
Insurance expenses	-	0.09	-
Contribution to other fund	1.43	-	-
Lease rental	0.03	-	-
Dividend	163.16	-	-

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Holding Entity	Fellow Subsidiaries	Key Managerial Personnel
	For the year ended March 31, 2024		
<b>b. Balances Outstanding at Period End</b>			
Trade payables and other liabilities	68.83	1.48	-
Trade receivables	-	0.02	-
Borrowings (other than debt securities)	17,753.30	-	-
Debt securities including interest payable	1,859.83	1,052.05	-
Cash and bank balances**	963.55	-	-
Loans and advances***	2.74	0.45	0.02
Fixed deposit including interest accrued	1.17	-	-
Investments	-	0.001	-
Contribution to other fund	0.11	-	-
Dividend	-	-	-

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, 2024.

\*\*\* These amounts represent year-end balances outstanding as at March 31, 2024 on credit cards issued and unsettled advances for holding Company.

## 41.2 Transactions/balances outstanding with related parties for the Year ended/as at March 31, 2023

Particulars	Holding Entity	Fellow Subsidiaries	Key Managerial Personnel
	For the year ended March 31, 2023		
<b>a. Transactions during the period</b>			
Advertisement, sales promotion & collection	18.32	-	-
Cost allocations received*	3.18	-	-
Fees and commission, bank charges	233.00	-	-
Personnel cost (Managerial remuneration salaries & other allowances)	-	0.10	7.58
Personnel cost (Managerial remuneration- post employment benefits)	-	-	0.06
Personnel cost (Managerial remuneration- share based payments)	-	-	0.40
Gratuity fund contribution	-	10.12	-
Interest income on fixed deposit	0.16	-	-
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	-	-
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	-	-
Depreciation on Right of use asset	0.02	-	-
Dividend	163.16	0.09	-

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	Holding Entity	Fellow Subsidiaries	Key Managerial Personnel
	For the year ended March 31, 2023		
<b>b. Balances Outstanding at Period end</b>			
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	-

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 and unsettled advances for holding Company.

(Figure in ₹ Crores, unless otherwise stated)

## 42 SHARE BASED PAYMENTS

### a. SBI Card Employee Stock Option Plan 2019 (the Plan):

On February 22, 2019, pursuant to approval by the shareholders in the Extraordinary General Meeting, the Board has been authorised to introduce, offer, issue and provide share-based incentives to eligible employees of the Company under the Plan. The maximum number of shares under the plan shall not exceed 3% of the paid-up share capital of the Company when the Scheme becomes effective. The Plan shall be administered by the Nomination and Remuneration Committee of the Board working under the powers delegated by the Board. Options granted under the plan shall vest based on the achievement of defined annual performance parameters as determined by the administrator.

Under the plan, two types of employee stock options are granted, performance-based options & goodwill options. During the year ended March 31, 2021 Performance based options (Performance Option-2) were granted on June 17, 2020. During the year ended March 31, 2020, Performance based options ((Performance Option-1) were granted as on September 17, 2019 and Goodwill options were granted as on September 18, 2019.

Performance based options shall vest with the participants in 4 tranches: - 10%, 20%, 30%, 40% at the end of year 1, 2, 3 and 4 of continued service respectively. However, No options shall vest before 3 months from IPO and the vesting of options shall be contingent upon the Participant being employed with the Company and few other defined annual performance parameters. The Goodwill Options shall vest upon completion of 12 months from the Grant Date or 180 days after the date of listing of the Shares of the Company, whichever is later.

### i) Summary of options granted under plan:

Option movement	As at March 31, 2024							
	Type of arrangement							
	Goodwill Options		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
<b>Opening balance</b>								
Number of Options	-	-	-	4,606,200	-	-	39,585	52,780
Avg. Exercise price per share option (in ₹)	-	-	-	152.10	-	-	152.10	152.10
Vesting Period	-	-	-	4 year	-	-	3 year	4 year
Number of Options Vested but not exercised	44,100	-	118,925	987,200	-	-	-	1,150,225
<b>Options Granted during the year</b>								
Number of Options	-	-	-	-	-	-	-	-
Avg. Exercise price per share option (in ₹)	-	-	-	-	-	-	-	-
Vesting Period	-	-	-	-	-	-	-	-
<b>Options Exercised during the year</b>								
Number of Options	15,400	-	118,925	893,550	3,829,270	-	39,585	4,896,730
Avg. Exercise price per share option (in ₹)	152.10	-	152.10	152.10	152.10	-	152.10	152.10



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Option movement	As at March 31, 2024								
	Type of arrangement								
	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		
Goodwill Options	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 1	Tranche 2	Tranche 3	Tranche 4	
<b>Options Forfeited during the year</b>									
Number of Options	-	-	-	-	-	-	-	-	-
<b>Options Expired during the year -</b>									
Number of Options	2,700	-	-	-	260,000	-	-	-	262,700
<b>Options Vested but not exercised during the year</b>									
Number of Options	26,000	-	-	93,650	516,930	-	-	-	636,580
<b>Options Outstanding at the year end</b>									
Number of Options	-	-	-	-	-	-	-	52,780	52,780
Avg. Exercise price per share option (in ₹)	-	-	-	-	-	-	-	152.10	152.10

The weighted average market price of equity shares for options exercised during the year is ₹ 797.55

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)		Performance Options-2 (given on June 17, 2020)		Total		
Goodwill Options	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 1	Tranche 2	Tranche 3	Tranche 4	
<b>Opening balance</b>									
Number of Options	-	-	3,583,650	4,778,200	-	26,390	39,585	52,780	8,480,605
Avg. Exercise price per share option (in ₹)	-	-	152.10	152.10	-	152.10	152.10	152.10	-
Vesting Period	-	-	3 year	4 year	-	2 year	3 year	4 year	-
Numbers of Options Vested but not exercised	74,400	13,870	496,565	-	-	-	-	-	584,835
<b>Options Granted during the year</b>									
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, 2023					Total				
	Type of arrangement									
	Goodwill Options	Performance Options-1 (given on September 17, 2019)			Performance Options-2 (given on June 17, 2020)					
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 1	Tranche 2	Tranche 3	Tranche 4		
<b>Options Exercised during the year</b>										
Number of Options	16,550	13,870	377,640	2,467,450	-	-	26,390	-	2,901,900	
Avg. Exercise price per share option (in ₹)	152.10	152.10	152.10	152.10	-	-	152.10	-	152.10	
<b>Options Forfeited during the year</b>										
Number of Options	-	-	-	-	-	-	-	-	-	
<b>Options Expired during the year -</b>										
Number of Options	13,750	-	-	129,000	172,000	-	-	-	314,750	
<b>Options Vested but not exercised during the year</b>										
Number of Options	44,100	-	118,925	987,200	-	-	-	-	1,150,225	
<b>Options Outstanding at the year end</b>										
Number of Options	-	-	-	-	4,606,200	-	-	39,585	52,780	4,698,565
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

## 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, 2024
Performance Option-2	Tranche 4 - June 17, 2020	16-Jun-24	152.10	52,780
<b>Total</b>				<b>52,780</b>
				0.25

## iii) Options granted during the year ended March 31, 2024 - NIL Previous Year - NIL

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## b. SBI Card Employee Stock Option Plan 2023 (the Plan)

On August 09, 2023, pursuant to approval by the shareholders in the Annual General Meeting, the Board has been authorised to introduce, offer, issue and provide share-based incentives to eligible employees of the Company under the Plan.

Under the plan, two types of employee stock options are granted, performance share units and restricted share units. During the year ended March 31, 2024, Performance share units and restricted share units were granted on October 18, 2023. Each employee stock option converts into one equity share of the Company on exercise.

Performance based options shall vest with the participants upon completion of 3 years from the grant date. Restriction based options shall vest with the participants in 3 tranches: – 30%, 30%, 40% at the end of year 1, 2, 3 of continued service respectively. However, vesting of options shall be contingent upon the Participant being employed with the Company and few other defined annual performance parameters.

Performance parameters will be set annually and approved by the Nomination and Remuneration Committee (NRC) and approved parameters for each financial year will be notified to the employees. Further, the NRC and Board holds the power to modify targets between the date of grant and vesting Date.

As per Ind AS 102, for the purpose of accounting grant date is considered as the date when performance parameters are approved and notified to the employees by NRC. Fair value of the equity instruments is estimated (i.e., by reference to the fair value of the equity instruments at the end of the reporting period) for the purpose of recognising the services received during the period between the date of commencement of service (i.e. October 18, 2023) and the grant date as per Ind AS 102. On occurrence of the grant date, the Company revises the earlier estimate of fair value to ultimately recognise the expense in relation to such grant, based on the grant date fair value.

### i) Summary of options granted under plan:

Type of arrangement	As at March 31, 2024			As at March 31, 2023		
	Avg exercise price per share option (in ₹)	Number of options	Vesting Period	Avg exercise price per share option (in ₹)	Number of options	Vesting Period
<b>Opening balance</b>	-	-	-	-	-	-
<b>Options Granted during the year</b>						
PSU options granted during the year	10.00	225,273	3 year	-	-	-
RSU options granted during the year						
Tranche 1	10.00	103,981	1 year	-	-	-
Tranche 2	10.00	103,981	2 year	-	-	-
Tranche 3	10.00	138,642	3 year	-	-	-
<b>Exercised during the year</b>	-	-	-	-	-	-
<b>Forfeited during the year</b>	-	-	-	-	-	-
<b>Expired during the year</b>	-	-	-	-	-	-
<b>Closing balance</b>	10.00	571,877	-	-	-	-
<b>Exercisable at the end of the year</b>	-	-	-	-	-	-

No ESOP are exercised during the period ended 31<sup>st</sup> March 2024.

Weighted average remaining contractual life of options outstanding (In years) - 2.45

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## Fair value of options granted during the period ended March 31, 2024

Type of options	Fair value (in ₹)
PSU Options	661.92
RSU Tranche 1 Options	665.82
RSU Tranche 2 Options	663.88
RSU Tranche 3 Options	661.92

The fair value of the options is determined on the date of grant using the Black-Scholes option pricing model, with the following assumptions :

Particulars	PSU Options	RSU options Tranche 1	RSU options Tranche 2	RSU options Tranche 3
Expected dividend yield	0.37%	0.37%	0.37%	0.37%
years to expiration	5.55	3.55	4.55	5.55
Risk free rates	6.97%	6.96%	6.97%	6.97%
Expected volatility	35.65%	37.43%	36.33%	35.65%

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time which is considered as equivalent to the life to expiration. In the instant case, the volatility of the Company is computed based on the weighted average volatility of the comparable companies listed on stock exchange.

## c. Expense arising from share-based payment transactions

Particulars	March 31, 2024	March 31, 2023
Employee option plan	10.70	14.11
<b>Total expense</b>	<b>10.70</b>	<b>14.11</b>

## 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 recognised 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, 2024	March 31, 2023
Not later than one year	99.91	92.49
Later than one year and not later than five years	304.18	286.73
Later than five years	19.53	42.25
<b>Total minimum lease payments (Refer Note 20)</b>	<b>423.62</b>	<b>421.47</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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, 2024	For the year ended March 31, 2023
Provident Fund	23.35	21.51
Employee State Insurance Corporation (ESIC)	0.11	0.23
Contribution to National Pension System	0.34	1.18
Labour Welfare Fund	0.18	0.14
<b>Total</b>	<b>23.98</b>	<b>23.06</b>

### 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, 2024	For the year ended March 31, 2023
Discount rate	7.20%	7.30%
Future Salary Increase/Salary escalation	10.67%	10.67%
Expected return on plan assets	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%	32.00%
From 31 to 40 years	26.00%	26.00%
From 41 to 50 years	19.00%	19.00%
From 51 to 59 years	18.00%	18.00%

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 summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised 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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## Statement of profit and loss

Net employee benefits expense recognised in the employee cost:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	7.86	6.86
Past service cost	-	-
Interest on net defined benefit liability / (asset)	(0.22)	(0.26)
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>7.64</b>	<b>6.60</b>
<b>Remeasurement on the net defined benefit liability:</b>		
Changes in financial assumptions	0.35	2.43
Changes in demographic assumptions	-	(2.32)
Experience adjustments	1.74	5.72
Return on plan assets (excluding amounts included in net interest expense)	(0.53)	(1.27)
Adjustments for restrictions on the defined benefit asset	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>1.56</b>	<b>4.56</b>

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, 2024	For the year ended March 31, 2023
Present value of funded defined benefit obligation	72.24	65.50
Fair value of plan assets	(70.76)	(65.98)
Net obligation status	1.48	(0.48)
Restrictions on asset recognised	-	-
<b>Net liability arising from defined benefit obligation</b>	<b>1.48</b>	<b>(0.48)</b>

Movements in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	65.50	56.46
Current service cost	7.86	6.86
Past service cost	-	-
Interest cost	4.32	3.33
Remeasurement (gains)/losses due to:		
Actuarial gains and losses arising from changes in financial assumptions	0.35	2.43
Actuarial gains and losses arising from changes in demographic assumptions	-	(2.32)
Actuarial gains and losses arising from experience adjustments	1.74	5.72
Benefits paid	(7.52)	(6.98)
<b>Closing defined benefit obligation</b>	<b>72.25</b>	<b>65.50</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening fair value of plan assets	65.98	57.98
Employer contributions	7.24	10.12
Interest on plan assets	4.53	3.59
Remeasurement due to:		
Actual return on plan assets less interest on plan assets	0.53	1.27
Benefits Paid	(7.52)	(6.98)
<b>Closing defined benefit obligation</b>	<b>70.76</b>	<b>65.98</b>

## 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 summarises 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, 2024	For the year ended March 31, 2023
<b>Discount Rate</b>		
Impact of increase 50 bps on Defined benefit obligation	-2.41%	-2.41%
Impact of Decrease 50 bps on Defined benefit obligation	2.53%	2.52%
<b>Salary Escalation rate</b>		
Impact of increase 50 bps on Defined benefit obligation	2.43%	2.43%
Impact of Decrease 50 bps on Defined benefit obligation	-2.35%	-2.34%

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.

## Projected plan cash flow:

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

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expected Benefits for 1 year	14.13	12.77
Expected Benefits for 2 year	12.12	11.41
Expected Benefits for 3 year	11.13	9.79
Expected Benefits for 4 year	9.40	8.94
Expected Benefits for 5 year	8.26	7.42
Expected Benefits for 6 year	7.30	6.52
Expected Benefits for 7 year	6.27	5.91
Expected Benefits for 8 year	5.68	4.95
Expected Benefits for 9 year	5.38	4.82
Expected Benefits for 10 year and Above	30.26	27.84
<b>Weighted average duration to the payment of these cash flows (in Years)</b>	<b>4.94</b>	<b>4.92</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 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, 2024	For the year ended March 31, 2023
Discount rate	7.20%	7.30%
Future Salary Increase/Salary escalation	10.67%	10.67%
Retirement Age (years)	60 Years	60 Years
Mortality Tables*	2012-14	2012-14
Employee turnover		
From 21 to 30 years	32.00%	32.00%
From 31 to 40 years	26.00%	26.00%
From 41 to 50 years	19.00%	19.00%
From 51 to 59 years	18.00%	18.00%

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, 2024	For the year ended March 31, 2023
Defined benefit obligation	16.86	16.80
<b>Closing defined benefit obligation</b>	<b>16.86</b>	<b>16.80</b>

## 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:

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.20%	7.30%
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%	32.00%
From 31 to 40 years	26.00%	26.00%
From 41 to 50 years	19.00%	19.00%
From 51 to 59 years	18.00%	18.00%

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.



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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, 2024	For the year ended March 31, 2023
Defined benefit obligation	5.53	5.01
<b>Closing defined benefit obligation</b>	<b>5.53</b>	<b>5.01</b>

## 45 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Claims against the Company not acknowledged as debt		
(a) Demand notices from Service Tax Department	29.11	27.81
(b) Claims against the Company in the ordinary course of business	36.07	41.92
(c) Guarantees	7.19	8.48
(d) Demand notice from Income Tax Department	1.98	1.98
(e) Contribution notice from ESIC & EPFO	7.08	7.08
<b>Total</b>	<b>81.43</b>	<b>87.28</b>
<b>Pre-deposit against claims</b>	<b>2.83</b>	<b>2.62</b>

- i. Certain show cause notices relating to indirect taxes matters amounting to ₹ 6.17 Crores (previous period ₹ 3.13 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 materialising is remote.
- ii. 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, 2024.
- iii. Capital Commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounted to ₹ 5.36 Crores as at March 31, 2024 (₹ 18.11 Crores as at March 31, 2023)

**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 2023-24

## 47 SEGMENT INFORMATION

There is only reportable segment ("Credit cards") 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.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

**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 Department has filed the reply and also Company has filed the rejoinder. Next date of hearing is scheduled on August 07, 2024 with a direction to Department to file reply to re-joinder (if any).

**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 ₹ 0.00 Crores in each FY 2023-24 and FY 2022-23.
- ii) Non-life/General Insurance is ₹ 3.15 Crores in FY 2023-24 and ₹ 3.45 Crores in FY 2022-23.

**51** The Board of Directors have declared interim dividend of ₹ 2.50 per equity share (25%) of the face value of ₹ 10/- each for the Financial Year 2023-24 in accordance with Section 123(3) of the Companies Act, 2013, as amended.

**52** The Company has made following changes in estimates during quarter and the year ended March 31, 2024

- (i) The Company has revised the estimation model for Expected Credit Loss (ECL) on account of change in provisioning on identified stressed assets in Stage 1 and Stage 2 of the credit card portfolio, resulting in a higher ECL of ₹ 0.69 Crores during the quarter and year ended March 31, 2024. Estimation of future impact in ECL of such identified stressed portfolio is not ascertainable at the end of the reporting period.
- (ii) The Company also revised the estimated life of IPADs to match with the useful life of such assets in use, impact of such change in estimation resulted in higher depreciation of ₹ 0.08 Crores for the quarter and year ended March 31, 2024. Impact of such change will result in lower depreciation in future period to the tune of ₹ 0.01 Crores.

**53** During the period ended March 31, 2024, the Company did not have any exceptional items or extraordinary items as defined under Ind AS 1, Presentation of Financial Statements.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 54 ANALYTICAL RATIOS

Ratio	Numerator	Denominator	For the year ended March 31, 2024	For the year ended March 31, 2023	% Variance	Reason for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)	Total capital employed	Total Risk weighted asset	20.53%	23.08%	-11.05%	NA
Tier I CRAR	Total equity reduced by Deffered Tax, Intangible assets and Unamortised card acquisition cost	Total Risk weighted asset	16.51%	20.37%	-18.95%	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	4.02%	2.71%	48.34%	Tier II capital raised during the year to augment capital adequacy
Liquidity Coverage Ratio	Stock of High Quality Liquid Asset	Total net cash outflows over the next 30 calender days	105.24%	85.95%	22.45%	NA

## 55 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.

### 55.1.1 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	% of Total deposits	% of Total Liabilities
1	Jun'23	8 (Eight)	30,290.96	NA	80.79%
2	Sep'23	6 (Six)	31,198.96	NA	79.33%
3	Dec'23	7(Seven)	35,263.10	NA	80.28%
4	Mar'24	9 (Nine)	35,932.66	NA	77.97%

#### ii) Top 20 large deposits

Company is registered as Non-Deposit taking Systemmically Important NBFC, hence this clause is not applicable

#### iii) Top 10 borrowings

Sr. No.	Quarter ended	Amount	% of Total borrowings
1	Jun'23	30,815.69	94.05%
2	Sep'23	32,153.34	95.05%
3	Dec'23	36,060.17	95.41%
4	Mar'24	36,286.83	91.56%

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## iv) Funding Concentration based on significant instrument/product

Sr. No.	Quarter ended	Bank Lines		Debentures		Term Loan		Commercial papers	
		Total Amount	% of Total Liabilities	Total Amount	% of Total Liabilities	Total Amount	% of Total Liabilities	Total Amount	% of Total Liabilities
1	Jun'23	20,933.56	55.84%	7,807.13	20.82%	4,216.08	11.25%	-	-
2	Sep'23	22,012.78	55.97%	7,870.88	20.01%	4,199.55	10.68%	-	-
3	Dec'23	26,158.19	59.55%	7,127.65	16.23%	4,723.33	10.75%	-	-
4	Mar'24	26,793.64	58.14%	7,897.86	17.14%	5,199.57	11.28%	-	-

## v) Stock Ratios :

Sr. No.	Quarter ended	Name of the instrument/ product	% of Total Public Funds	% of Total Liabilities	% of Total Assets
a	Jun'23	Commercial Papers	NA	-	-
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other short-term liabilities	NA	67.09%	52.50%
b	Sep'23	Commercial Papers	NA	-	-
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other short-term liabilities	NA	68.70%	53.62%
c	Dec'23	Commercial Papers	NA	-	-
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other short-term liabilities	NA	72.29%	57.13%
d	Mar'24	Commercial Papers	NA	-	-
		Non-convertible debentures (original maturity <1 year)	NA	N.A.	N.A.
		Other short-term liabilities	NA	71.65%	56.77%

## vi) Institutional set-up for liquidity risk management

Refer note no 38.1.3 for details

### 55.1.2 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, 2023, the minimum HQLAs to be held are at 85% 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).

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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. The average weighted and unweighted amounts are calculated taking simple averages of daily observations over the respective quarter, during the Financial Year 2023-24:

Sr. No.	Particulars	Quarter ended March 31, 2024		Quarter ended December 31, 2023		Quarter ended September 30, 2023		Quarter ended June 30, 2023	
		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)
<b>High Quality Liquid Asset</b>									
1	Total High Quality Liquid Assets (HQLA)	-	3,464.94	-	2,954.94	-	2,357.03	-	2,319.57
<b>Cash Outflows</b>									
2	Deposits (For Deposit taking Companies)	-	-	-	-	-	-	-	-
3	Unsecured Wholesale Funding	-	-	-	-	-	-	-	-
4	Secured Wholesale Funding	7,570.12	8,705.63	7,539.33	8,670.23	6,655.55	7,653.88	6,251.34	7,189.04
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	1,530.95	1,760.59	1,477.29	1,698.89	1,390.38	1,598.93	1,370.07	1,575.58
6	Other contractual funding obligations	2,350.38	2,702.93	2,283.65	2,626.19	1,604.15	1,844.78	1,708.39	1,964.65
7	Other contingent funding obligations	-	-	-	-	-	-	-	-
8	<b>Total Cash Outflows</b>	<b>11,451.45</b>	<b>13,169.15</b>	<b>11,300.27</b>	<b>12,995.31</b>	<b>9,650.08</b>	<b>11,097.59</b>	<b>9,329.80</b>	<b>10,729.27</b>
<b>Cash Inflows</b>									
9	Secured lending	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	19,756.05	14,817.04	19,562.66	14,672.00	17,463.45	13,097.59	16,166.82	12,125.12
11	Other Cash Inflows	139.41	104.56	143.28	107.46	201.93	151.45	152.65	114.49
12	<b>Total Cash Inflows</b>	<b>19,895.46</b>	<b>14,921.60</b>	<b>19,705.94</b>	<b>14,779.46</b>	<b>17,665.38</b>	<b>13,249.04</b>	<b>16,319.47</b>	<b>12,239.61</b>
			<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>
13	Total HQLA		3,464.94		2,954.94		2,357.03		2,319.57
14	Total Net Cash Outflows		3,292.29		3,248.83		2,774.40		2,682.32
15	<b>Liquidity Coverage Ratio (%)</b>		<b>105.24%</b>		<b>90.95%</b>		<b>84.96%</b>		<b>86.48%</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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)
<b>High Quality Liquid Asset</b>									
1	Total High Quality Liquid Assets (HQLA)	-	2,349.43	-	2,072.19	-	1,678.91	-	1,554.96
<b>Cash Outflows</b>									
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								
(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	<b>Total Cash Outflows</b>	<b>9,507.69</b>	<b>10,933.84</b>	<b>8,494.70</b>	<b>9,768.91</b>	<b>7,116.47</b>	<b>8,183.95</b>	<b>6,414.78</b>	<b>7,377.00</b>
<b>Cash Inflows</b>									
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	<b>Total Cash Inflows</b>	<b>14,933.52</b>	<b>11,200.14</b>	<b>14,124.72</b>	<b>10,593.54</b>	<b>11,968.71</b>	<b>8,976.54</b>	<b>10,842.22</b>	<b>8,131.66</b>
			<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>		<b>Total Adjusted Value</b>
13	Total HQLA		2,349.43		2,072.19		1,678.91		1,554.96
14	Total Net Cash Outflows		2,733.46		2,442.23		2,045.99		1,844.25
15	<b>Liquidity Coverage Ratio (%)</b>		<b>85.95%</b>		<b>84.85%</b>		<b>82.06%</b>		<b>84.31%</b>

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 quarter ended March 31, 2024 was 105.24% as against 85.95% for the quarter ended March 31, 2023. The LCR remains well above the regulatory minimum requirement for each reporting period.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

The average HQLA for the quarter ended March 31, 2024, was ₹ 3,464.94 Crores as against ₹ 2,349.43 Crores for the quarter ended March 31, 2023. The net cash outflow position has gone up by ₹ 558.83 Crores due to increase in next 30 days outflows and HQLA level has up by ₹ 1,115.50 Crores. Of the total HQLA balance, 71.06% comprise of Investment in Government Securities (62.87% in quarter ended March'23), 26.57% comprise of Investments in Treasury Bills (33.67% in quarter ended March'23) and 2.37% comprise of balances in current account with Scheduled Commercial Banks (3.46% in quarter ended March'23).

Management is of the view that the Company has sufficient liquidity cover to meet its likely future short-term requirements.

- 56 Schedule to Balance Sheet of a Non-Banking Financial Company as required in terms of Paragraph 13 of Non-Banking Financial Companies (non-deposit accepting or holding) Prudential Norms (Reserve Bank) Directions, 2016:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
<b>Liabilities side:</b>				
<b>1. Loans and advances availed by the NBFC's inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures : Secured	-	-	-	-
: Unsecured	7,897.86	-	7,966.75	-
(Other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	5,199.57	-	2,749.62	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Other Loans				
- External commercial borrowings	-	-	-	-
- Cash/Credit Loans*	26,793.64	-	20,393.24	-
- Finance lease obligation	-	-	-	-
- lease obligation	423.62	-	421.47	-

\*It includes working capital demand loan.

Assets side:	Amount outstanding	Amount outstanding
	As at March 31, 2024	As at March 31, 2023
<b>2 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
(a) Secured*	274.53	283.46
(b) Unsecured	50,571.06	40,438.17
<b>3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	Nil	Nil
(b) Operating lease	Nil	Nil
ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	Nil	Nil
(b) Repossessed Assets	Nil	Nil
iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	Nil	Nil
(b) Loans other than (a) above	Nil	Nil

\*It Includes advances to credit card customers to the extent of lien on fixed deposits and financial guarantees.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

Assets side:	Amount outstanding	
	As at March 31, 2024	As at March 31, 2023
<b>4 Break-up of Investments:</b>		
<b>Current Investments:</b>		
<b>1. Quoted:</b>		
(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	1,014.98	567.61
(v) Others	Nil	Nil
<b>2. Unquoted:</b>		
(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
<b>Long Term investments:</b>		
<b>1. Quoted:</b>		
(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	2,485.71	1,552.95
(v) Others	Nil	Nil
<b>2. Unquoted:</b>		
(i) Shares: (a) Equity	18.44	19.13
(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, 2024			As at March 31, 2023		
	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>5 1. Related Parties</b>						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	0.49	0.49	-	0.59	0.59
(c) Other related parties	-	0.02	0.02	-	0.04	0.04
<b>2. Other than related parties</b>	272.99	48,805.44	49,078.43	281.00	39,079.35	39,360.35
<b>Total</b>	<b>272.99</b>	<b>48,805.95</b>	<b>49,078.95</b>	<b>281.00</b>	<b>39,079.98</b>	<b>39,360.98</b>



# 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, 2024		As at March 31, 2023	
	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	3,519.60	3,519.13	2,139.69	2,139.69
<b>Total</b>	<b>3,519.60</b>	<b>3,519.13</b>	<b>2,139.69</b>	<b>2,139.69</b>

\* Refer Note 9

Category	As at March 31, 2024	As at March 31, 2023
7 <b>Other Information</b>		
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	1,404.23	957.52
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	492.99	348.71
(iii) Assets acquired in satisfaction of debt	-	-

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 57 DISCLOSURE OF RESTRUCTURED ACCOUNTS

S. No.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others						
		A	B	C	D	Total	A	B	C	D	Total	A	B	C	D	
Asset Classification Details	#	#	#	#	#	#	#	#	#	#	#	#	#	#	#	
1	Restructured accounts as on April 01, 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	76
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.48
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.30
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,260
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.74
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.67
3	Upgradations to restructured standard category	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28
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	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.23
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.15
6	Write-offs of restructured accounts during the FY	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01
7	Adjustments as on March 31, 2024 for payment/provision*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.26
	Provision adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.16
8	Restructured Accounts as on March 31, 2024 (S.No 1+2-3-4-5-6-7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,274
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.71
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.65

\* 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)

## 58 ADDITIONAL DISCLOSURES

### 58.1 Capital

Particulars	As at March 31, 2024	As at March 31, 2023
i) CRAR (%)	20.53%	23.08%
ii) CRAR - Tier I Capital (%)	16.51%	20.37%
iii) CRAR - Tier II Capital (%)	4.02%	2.71%
iv) Amount of subordinated debt raised as Tier-II capital*	1,875	1,300
v) Amount raised by issue of Perpetual Debt Instruments	-	-

\*Qualifying amount as Tier II Capital (after discounting) as at March 31, 2024 is ₹ 1825 Crores (March 31, 2023 ₹ 600 Crores). Fresh subordinated debt raised as Tier II during Financial Year 2023-24 is ₹ 1275 Crores (March 31, 2023 ₹250 Crores).

### 58.2 Investment

Particulars	As at March 31, 2024	As at March 31, 2023
1 Value of Investments		
(i) Gross Value of Investments		
(a) In India	3,519.60	2,139.69
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	(0.47)	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	3,519.13	2,139.69
(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	-	-

### 58.3 Derivatives

#### Forward Rate Agreement / Interest Rate Swap

Particulars	As at March 31, 2024	As at March 31, 2023
(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)

## 58.4 Exchange Traded Interest Rate (IR) Derivatives

Particulars	As at March 31, 2024	As at March 31, 2023
(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

## 58.5 Disclosures on Risk Exposure in Derivatives

### Qualitative Disclosure

S. No.	Particulars	As at March 31, 2024		As at March 31, 2023	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	Hedged Assets	Nil	Nil	Nil	Nil
	Hedged Liabilities- Loan	Nil	Nil	404.98	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	280.44	Nil	251.98	Nil

Refer note 38.1.1 to the financial statements for details

## 58.6 Disclosures relating to Securitisation

There has been no securitisation transactions during the reporting period.(previous year: Nil)

## 58.7 Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

During the reporting period, the Company has not sold any financial asset to securitisation/restructuring companies.(previous year: Nil)

## 58.8 Details of Assignment transactions undertaken by NBFCs

There has been no Assignment transactions undertaken by the Company during the reporting period.(previous year: Nil)

## 58.9 Details of non-performing financial assets purchased/sold from/to other NBFC

There has been no instances of non-performing financial assets purchased/sold from/to other NBFC by the Company during the reporting period.(previous year: Nil)

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 58.10 Asset Liability Management

### Maturity pattern of certain items of assets and liabilities as at March 31, 2024

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	6,977.31	5,470.59	7,352.22	8,050.74	4,877.21	7,008.81	3,711.91	5,137.16	-	493.00	49,078.95
Investments	49.87	162.43	62.38	179.86	14.82	591.60	130.83	532.53	1,075.05	719.76	3,519.13
Borrowings	2,373.40	1,281.56	3,465.37	4,137.48	3,223.39	3,491.61	12,275.28	6,833.33	1,184.65	1,625.00	39,891.08
Foreign Currency assets	-	-	-	-	-	40.45	82.36	-	-	-	122.81
Foreign Currency liabilities	-	-	-	157.62	-	-	-	-	-	-	157.62

### 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	5,779.50	4,192.53	5,631.44	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
Borrowings	1,226.94	1,431.17	3,550.96	6,005.76	6,157.72	1,246.77	3,185.91	6,454.81	1,249.89	599.69	31,109.62
Foreign Currency assets	-	-	-	-	-	43.59	66.78	-	-	-	110.37
Foreign Currency liabilities	-	-	-	141.61	-	-	-	-	-	-	141.61

## 58.11 Exposure to Real Estate Sector

There is no exposure to Real Estate Sector as at the end of reporting period. (Previous Year: Nil)

## 58.12 Exposure to Capital Market

There is no exposure to Capital Market as at the end of reporting period. (Previous Year: Nil)

## 58.13 Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	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						
Credit Card Receivables *	50,927.02	1,404.23	2.76%	40,808.91	957.53	2.35%
5. Others						
Total of Others	Nil	Nil	Nil	Nil	Nil	Nil

\* Includes Off Balance sheet exposure which relates to Contingent Liability as on the reporting date

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 58.14 Intra-group exposures

Particulars	Current Year	Previous Year
i) Total amount of intra-group exposures	0.50	0.60
ii) Total amount of top 20 intra-group exposures	0.50	0.60
iii) Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.001%	0.001%

## 58.15 Unhedged foreign currency exposure

Refer Note No 38.1.1

## 58.16 Details of financing of parent company products

The Company has not financed any of the products of its parent company during the Financial Year 2023-24.

## 58.17 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, 2024.

## 58.18 Miscellaneous

### 58.18.1 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

### 58.18.2 Disclosure of Penalties imposed by RBI and other regulators

No penalties have been imposed by any regulators during Financial Year 2023-24

### 58.18.3 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 2023-24.

### 58.18.4 Revenue Recognition

There is no circumstance in which revenue recognition has been postponed pending the resolution of significant uncertainties.

### 58.18.5 Remuneration to Directors

During the year the Company has paid ₹ 1.15 Crores towards Directors fees, allowances and expenses.

Refer note 32

### 58.18.6 Net Profit or loss for the period, prior period items and change in accounting policies

In line with the recent amendment to companies (Indian Accounting Standards) Amendment Rules, 2023 i.e. In Ind AS 1 Preparation of Financial Statements which requires companies to disclose material accounting policies information as against the significant accounting policies in their financial statements. Therefore, existing Significant Accounting policies are converged to Material Accounting policies information from the Financial Year 2023-24.

Further, there are no adjustment of prior period items during the Financial Year 2023-24.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 58.18.7 Related Party Transactions

Particulars	Parent (as per ownership or control)		Fellow Subsidiaries		Key Management Personnel		Directors		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>a. Transactions during the period</b>										
Advertisement, sales promotion & Collection	24.51	18.32	-	-	-	-	-	-	24.51	18.32
Cost allocations received	4.28	3.18	-	-	-	-	-	-	4.28	3.18
Fees and Commission, bank charges	207.48	233.00	-	-	-	-	-	-	207.48	233.00
Commission Received	-	-	0.10	0.10	-	-	-	-	0.10	0.10
Personnel Cost (Managerial remuneration Salaries & other Allowances)	-	-	-	-	6.02	6.40	1.15	1.18	7.17	7.58
Personnel Cost (Managerial remuneration- Post Employment Benefits)	-	-	-	-	0.08	0.06	-	-	0.08	0.06
Personnel Cost (Managerial remuneration- Share based payments)	-	-	-	-	0.33	0.40	-	-	0.33	0.40
Gratuity fund contribution	-	-	7.24	10.12	-	-	-	-	7.24	10.12
Interest Income on fixed deposit	0.10	0.16	-	-	-	-	-	-	0.10	0.16
Income on investment	-	-	-	-	-	-	-	-	-	-
Finance charges	1,353.25	856.03	18.13	12.65	-	-	-	-	1,371.38	868.68
Borrowings taken	84,948.79	67,123.66	868.00	300.00	-	-	-	-	85,816.79	67,423.66
Borrowings repaid	83,704.52	61,043.88	10.00	155.00	-	-	-	-	83,714.52	61,198.88
Fixed deposit made	0.88	0.81	-	-	-	-	-	-	0.88	0.81
Fixed deposit matured	2.14	0.80	-	-	-	-	-	-	2.14	0.80
Investment made	-	-	-	-	-	-	-	-	-	-
Investment matured	-	-	-	-	-	-	-	-	-	-
Royalty expenses	48.16	45.17	-	-	-	-	-	-	48.16	45.17
Loans and Advances given and other adjustments	0.63	0.49	8.66	6.38	0.44	0.33	0.47	0.26	10.20	7.45
Loans and Advances Repaid	0.63	0.47	8.81	6.07	0.44	0.29	0.53	0.28	10.41	7.11
Insurance Expenses	-	-	0.09	0.49	-	-	-	-	0.09	0.49
Contribution to Other Fund	1.43	1.18	-	-	-	-	-	-	1.43	1.18
CSR Contribution	-	-	-	-	-	-	-	-	-	-
Depreciation on right of use asset	0.03	0.02	-	-	-	-	-	-	0.03	0.02
Dividend	163.16	163.16	-	0.09	-	-	-	-	163.16	163.25

# 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		Directors		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>b. Balances outstanding at period end</b>										
Trade Payables and Other liabilities	68.83	44.08	1.48	-	-	-	-	-	70.31	44.08
Trade receivables	-	-	0.02	0.02	-	-	-	-	0.02	0.02
Borrowings (other than debt securities)	17,753.30	15,445.75	-	-	-	-	-	-	17,753.30	15,445.75
Debt Securities including interest payable	1,859.83	2,913.52	1,052.05	218.60	-	-	-	-	2,911.88	3,132.13
Cash and Bank Balances	963.55	401.94	-	-	-	-	-	-	963.55	401.94
Loans and Advances	2.74	16.17	0.45	1.04	0.01	0.01	0.02	0.03	3.22	17.25
Fixed deposit including Interest Accrued	1.17	2.85	-	-	-	-	-	-	1.17	2.85
Investments	-	-	-	-	-	-	-	-	-	-
Contribution to other fund	0.11	0.10	-	-	-	-	-	-	0.11	0.10
Right of use asset	-	0.11	-	-	-	-	-	-	-	0.11
Dividend	-	163.16	-	0.09	-	-	-	-	-	163.25

## 59 ADDITIONAL DISCLOSURE

### 59.1 Provisions and Contingencies

Break up of "Provisions and Contingencies" shown under the head Expenditure in Profit and Loss Account	As at March 31, 2024	As at March 31, 2023
Provision towards stage 3 assets	911.25	608.83
Provision for stage 1 and stage 2 assets	855.39	751.81
Provision for Long Service Awards	5.53	5.01
Provision for reward points redemption	559.99	548.97
Provision for Compensated absences	16.86	16.80
Provision on Trade Receivable	2.00	2.85
Provision on Financial assets	3.28	2.68
Provision on Non Financial assets	6.86	6.35
Provision for Bonus & Incentive Payable	51.77	67.21

### 59.2 Draw Down from reserves

There is no draw down from the reserves during the financial year ended March 31, 2024.

### 59.3 Concentration of Deposits, Advances, Exposures and NPAs #

#### Concentration of Advances

Particulars	As at March 31, 2024	As at March 31, 2023
Total Advances to twenty largest borrowers	92.59	60.15
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.18%	0.15%



# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## Concentration of Exposures

Particulars	As at March 31, 2024	As at March 31, 2023
Total Advances to twenty largest borrowers**	252.08	212.96
Percentage of Exposures to twenty largest borrowers/customers to Total Exposures of the NBFC on borrowers/customers	0.12%	0.10%

\*\*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, 2024	As at March 31, 2023
Total Exposure to top four NPA accounts*	0.55	0.55

\*All four NPA accounts has been blocked for transactions.

# refers to Stage 3 asset

## 59.4 Sector-wise NPAs

Sl No.	Sector	% of NPAs to Total Advances in that sector	As at March 31, 2024	As at March 31, 2023
1	Agriculture & allied activities	0.00%	-	-
2	MSME	0.00%	-	-
3	Corporate borrowers - Credit Cards*	0.00%	-	-
4	Services	0.00%	-	-
5	Unsecured personal loans	0.00%	-	-
6	Auto loans	0.00%	-	-
7	Other personal loans - Credit Cards	2.76%	1,404.23	957.53

\*In case of Corporate Cards, the NPA includes all credit cards exposure to that corporate in total. % of NPA is for FY 2023-24.

## 59.5

Sl No.	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	<b>Net NPAs to Net Advances (%)</b>	0.99%	0.87%
	Movement of NPAs (Gross)		
a)	Opening balance	957.53	693.42
b)	Additions during the year *	3327.25	2152.94
c)	Reductions during the year	(2,880.54)	(1,888.83)
d)	Derecognised during the year	-	-
e)	Closing balance	1404.23	957.53
(ii)	<b>Movement of NPAs (Net)</b>		
a)	Opening balance	348.71	240.90
b)	Additions during the year	1162.12	756.81
c)	Reductions during the year	(1,017.84)	(649.01)
d)	Closing balance	492.99	348.71
(iii)	<b>Movement of provisions for NPAs (excluding provisions on standard assets)</b>		
a)	Opening balance	608.83	452.52
b)	Provision made during the year	2165.13	1396.13
c)	Write-off/write-back of excess	(1,862.70)	(1,239.82)
d)	Derecognised during the year	-	-
e)	Closing balance	911.25	608.83

\*Additions during the year is net of repayment

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 59.6 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)
<b>Performing Assets</b>						
Standard	Stage 1	46,539.14	727.96	45,811.18	197.77	657.62
	Stage 2	2,902.22	127.43	2,774.79		
<b>Subtotal of Performing Assets</b>		<b>49,441.36</b>	<b>855.39</b>	<b>48,585.97</b>	<b>197.77</b>	<b>657.62</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	1,403.70	910.72	492.98	112.72	798.00
Doubtful- up to 1 year	Stage 3	-	-	-	-	-
1-3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal of doubtful</b>						
Loss	Stage 3	0.53	0.53	-	0.53	-
<b>Subtotal of NPA</b>		<b>1,404.23</b>	<b>911.25</b>	<b>492.98</b>	<b>113.25</b>	<b>798.00</b>
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	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1	46,539.14	727.96	45,811.18	197.77	657.62
	Stage 2	2,902.22	127.43	2,774.79		
	Stage 3	1,404.23	911.25	492.98	113.25	798.00
	<b>Total</b>	<b>50,845.59</b>	<b>1,766.64</b>	<b>49,078.95</b>	<b>311.01</b>	<b>1,455.62</b>

\* Substandard assets provision as per IRACP norms is based on principal balance. Income which would have been derecognised in IRACP on substandard assets is ₹ 271.69 Crores.

## 59.7 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There is no overseas asset as at March 31, 2024.

## 59.8 Off-balance Sheet SPVs sponsored

There is no off-balance sheet SPVs sponsored by the Company during the year ended March 31, 2024.

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

## 59.9 Disclosure of Customer Complaints

### 1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sl No.	Sector	As at March 31, 2024	As at March 31, 2023
<b>Complaints received by the NBFC from its customers</b>			
1	Number of complaints pending at beginning of the year	3,225	8,983
2	Number of complaints received during the year	315,634	649,121
3	Number of complaints disposed during the year	315,636	654,880
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	3,223.00	3,225.00
<b>Maintainable complaints received by the NBFC from Office of Ombudsman</b>			
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	10,818	10,320
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	6,487	6,818
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	4,331	3,502
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
<b>Current Year</b>					
New Account & Email ID Related	302	54,547	-65%	214	2
Co-Brand Related	391	53,663	-46%	683	-
Marketing	299	27,569	-51%	223	1
Remittance	118	25,060	27%	225	-
Call Center	105	24,673	-51%	40	-
Others	2,010	130,122	-52%	1,838	115
<b>Total</b>	<b>3,225</b>	<b>315,634</b>	<b>-51%</b>	<b>3,223</b>	<b>118</b>
<b>Previous Year(Comparable with Current Period)</b>					
New Account & Email ID Related	347	154,228	34%	302	37
Co-Brand Related	1,992	99,210	123%	391	-
Marketing	796	56,127	-28%	299	-
Remittance	185	19,706	7%	118	-
Call Center	339	50,514	6%	105	-
Others	5,324	269,336	-37%	2,010	370
<b>Total</b>	<b>8,983</b>	<b>649,121</b>	<b>-12%</b>	<b>3,225</b>	<b>407</b>

# Notes forming part of the financial statements

(Figure in ₹ Crores, unless otherwise stated)

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
<b>Previous Year(Reported in previous year)</b>					
New Accounts	347	154,228	34%	302	37
Sales	1,892	127,057	-31%	204	-
Co-Brand Related	1,992	99,210	123%	391	-
Marketing	796	56,127	-28%	299	-
Call Center	339	50,514	6%	105	-
Others	3,617	161,985	-39%	1,924	370
<b>Total</b>	<b>8,983</b>	<b>649,121</b>	<b>-12%</b>	<b>3,225</b>	<b>407</b>

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

As per our report of even date attached

**For Ambani & Associates LLP**  
Chartered Accountants  
FRN: 016923N

**Hitesh Ambani**  
Partner  
Membership No.: 506267

Place: Gurugram  
Date: April 26, 2024

**For Mahesh C Solanki & Co**  
Chartered Accountants  
FRN: 006228C

**Rajat Jain**  
Partner  
Membership No.: 413515

Place: Gurugram  
Date: April 26, 2024

For and on behalf of the Board of Directors

**Abhijit Chakravorty**  
Managing Director & CEO  
DIN: 09494533

Chief Financial Officer

Place: Gurugram  
Date: April 26, 2024

**Shrinivas Yeshwant Joshi**  
Director  
DIN: 05189697

Company Secretary

## 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 31 MARCH 2024

The preparation of financial statements of SBI Cards and Payment Services Limited for the year ended 31 March 2024 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 auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are 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 26 April 2024.

I, on 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 31 March 2024 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.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

### A. COMMENTS ON AUDITORS' REPORT

#### A.1 Independent Auditor's Report

Companies (Audit and Auditor) Rules, 2014 under Clause 11 (Other matters to be included in auditors report) states that the auditor's report shall also include their views and comments on the following matters:

'Whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts: and Whether the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.'

Audit observed that the Independent auditor's report did not contain their views and comments on whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts. Further, the Independent auditor has also not commented/ disclosed that the company has paid interim dividend amounting to ₹ 362.64 crore during the year.

Hence, the Independent Auditor's Report is deficient to that extent.

#### A.2 Independent Auditor's Report

Companies (Auditor's Report) Order, 2020 under clause 3 (xvi) (Matters to be included in Auditor's report) mandates the auditor's report to comment on the following:

- a. Whether the company is required to be registered under section 45-1A of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained;
- b. whether the company has conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- c. whether the company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, if so, whether it continues to fulfil the criteria of a CIC, and in case the company is an exempted or unregistered CIC, whether it continues to fulfil such criteria; and
- d. whether the Group has more than one CIC as part of the Group, if yes, indicate the number of CICs which are part of the Group"

Audit observed that for the sub-clause (b), independent auditor failed to comment on whether the company has conducted any Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;

For sub-clause (c), the auditor has stated that 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. However, the comment that reporting under sub-clause (d) of the order is not applicable is not factually correct as at sub-clause (d) the auditor is required to comment on whether the Group has more than one CIC as part of the Group. If the group has no CIC or not more one CIC, the auditor shall report this fact. If the group has more than one CIC, the auditor shall report the number of CICs in the Group. Therefore, the Independent Auditor's Report is deficient to that extent.

### A.3 Independent Auditor's Report

Companies (Auditor's Report) Order, 2020 under clause 3 (iii) (c) states that the auditor's report shall include a statement on the following matters:

In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular.

As per the guidance note on CARO, in case where the schedule of repayment of principal and payment of interest is stipulated but repayment of principal or payment of interest is not regular then the auditor may report the fact and may give number of cases and remarks, if any.

A reference is invited to clause (iii) (c) of Annexure I to independent auditors' report which states that the company is a non-banking financial company engaged in the business of issuing credit card to customers. In respect of loans and advances in the nature of loans, the schedule of repayment of principal and interest payment for EMI portion of portfolio is stipulated, rest of the portfolio is Non EMI portion which do not constitute any schedule of repayment. Having regard to the nature of the company's

business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified. Further, except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognized necessary provisions in accordance with the principles of Ind AS and the guidelines issued by RBI, the parties in general are repaying the principal amounts, and are also generally regular in payment of interest, as applicable.

During audit scrutiny, it was observed that during the current year the customers under the EMI portion of portfolio defaulted against 8526 nos. of the accounts amounting to ₹ 65.90 crore. However, the independent auditor failed to report the same. Therefore, the Independent Auditor's Report is deficient to that extent.

For and on behalf of the  
Comptroller & Auditor General of India

**(S. Ahladini Panda)**

Director General of Audit  
(Industry & Corporate Affairs)  
New Delhi

Place: New Delhi  
Date: July 16, 2024



**SBI Cards and Payment Services Limited**

CIN: L65999DL1998PLC093849

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