

Independent Auditors' Report

The Board of Directors

Small Industries Development Bank of India

Report on the Audit of the Standalone Financial Statements Opinion

1. We have audited the accompanying Standalone Financial Statements of **Small Industries Development Bank of India** (the Bank"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss Account and the Statement of Cash Flows for the year then ended, and Notes to the Financial Statements including a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to explanations given to us, the aforesaid Standalone Financial Statements give the information required in accordance with Regulation 14(1) of the Small Industries Development Bank of India General Regulations, 2000 in the manner so required and give a true and fair view in conformity with the Accounting Standards notified by the Institute of Chartered Accountants of India ("the ICAI") and accounting principles generally accepted in India, of the state of affairs of the Bank as at March 31, 2024 and its profit and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit of the Standalone Financial Statements in accordance with the Standards of Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibility under those standards are further described in the Auditors' Responsibilities

for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the "Code of Ethics" issued by the ICAI and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Emphasis of Matter

3. We invite attention to Note No. 26 to Schedule XVI of the Standalone financial statements regarding additional provision on standard advances at rates higher than minimum stipulated under IRAC norms, as per Board approved Accelerated Provisioning Policy.
4. We invite attention to Note No. 30 to Schedule XVI of the Standalone financial statements regarding the contribution made to CGTMSE of ₹ 500 Cr.

Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the financial year ended March 31, 2024. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

1. **Classification of Advances, Identification of Non-performing Advances, Income Recognition and Provision of Advances (Refer Schedule VIII read with Note 6 of Schedule XV to the standalone financial statements)**

Advances include Refinance loans to banks, Financial Institutions, Micro Finance Institutions and NBFCs; and Direct loans including Cash credits, Overdrafts, Loans repayable on demand and Term loans.

The Reserve Bank of India ('RBI') has prescribed the 'Prudential Norms on Income Recognition, Asset Classification and Provisioning' in respect of advances for banks ('IRACP Norms').

How our audit addressed the Key Audit Matters

Our audit approach / procedures towards

Classification of Advances, Identification of Non-performing Advances, Income Recognition and Provision on Advances included the following:

- Understanding and considering the Bank's accounting policies for NPA identification and provisioning and assessing compliance with the prudential norms prescribed by the RBI (IRACP Norms), including the additional provisions and asset classification benefit extended on restructured advances.
- Understanding the key controls (including system based automated controls) for identification and provisioning of impaired accounts based on the extant guidelines on IRACP laid down by the RBI.

Key Audit Matter

The identification of performing and non-performing advances (including advances restructured under applicable IRACP Norms) involves establishment of proper mechanism and the Bank is required to apply significant degree of judgement to identify and determine the amount of provision required against each advance applying both quantitative as well as qualitative factors prescribed by the regulations.

Significant judgements and estimates for NPA identification and provisioning could give rise to material misstatements on:

- Completeness and timing of recognition of nonperforming assets in accordance with criteria as per IRACP norms;
- Measurement of the provision for non-performing assets based on loan exposure, ageing and classification of the loan, realizable value of security;
- Appropriate reversal of unrealized income on the NPAs.

Since the classification of advances, identification of NPAs and creation of provision on advances (including additional provisions on restructured advances under applicable IRACP Norms) and income recognition on advances:

- Requires proper control mechanism and significant level of estimation by the Bank;
- Has significant impact on the overall financial statements of the Bank; we have ascertained this area as a Key Audit Matter

How our audit addressed the Key Audit Matters

- Performing other procedures including substantive audit procedures covering the identification of NPAs by the Bank. These procedures included:

- a) Considering testing of the exception reports generated from the application systems where the advances have been recorded.
- b) Considering the accounts reported by the Bank and other banks as Special Mention Accounts ("SMA") in RBI's central repository of information on large credits (CRILC) to identify stress.
- c) Reviewing account statements, drawing power calculation, security and other related information of the borrowers selected based on quantitative and qualitative risk factors
- d) Reading of minutes of credit and risk committee meetings and performing inquiries with the Bank to ascertain if there were indicators of stress or an occurrence of an event of default in a loan account or any product.
- e) Considering key observations arising out of Internal Audits and Concurrent Audits conducted as per the policies and procedures of the Bank.
- f) Considering the RBI Financial Inspection report on the Bank, the Bank's response to the observations and other communication with RBI during the year
- g) Reviewing the report submitted by external expert appointed by the Bank to verify compliance with the RBI circular on Automation of IRACP processes through the Bank's core banking system.
- h) Examination of advances including stressed/restructured advances on a sample basis with respect to compliance with the RBI Master Circulars / Guidelines.
- i) Seeking independent confirmation of account balances for sample borrowers.
- j) Visits to branches/offices and examination of documentation and other records relating to advances.

For Non- performing advances identified, we, based on factors including stressed sectors and account materiality, tested on a sample basis the asset classification dates, reversal of unrealized interest, value of available security and provisioning as per IRACP norms. We recomputed the provision for NPA on such samples after considering the key input factors and compared our measurement outcome to that prepared by management.

Key Audit Matter
II. Valuation of Investments, Identification of and provisioning for Non-Performing Investments (Schedule VII read with Note 3 of Schedule XV to the standalone financial statements)

Investments are categorized under Treasury operations and Business Operations. Investments include investments made by the Bank in Central and State Governments Securities, Bonds, Debentures, Shares, Mutual Funds, VCFs and other approved securities. RBI Circulars and directives, inter-alia, cover valuation of investments, classification of investments, identification of non-performing investments, non-recognition of income and provisioning against non-performing investments.

The valuation of each category (type) of the aforesaid securities is to be done as per the method prescribed in circulars and directives issued by the RBI which involves collection of data/information from various sources such as FBIL/FIMMDA rates, rates quoted on BSE/NSE, financial statements of unlisted companies etc.

We identified valuation of investments and identification of NPI as a Key Audit Matter because of the management judgement involved in determining the value of certain investments (Bonds and Debentures, VCFs) based on applicable Regulatory guidelines and the Bank's policies, impairment assessment for HTM book based on management judgement, the degree of regulatory focus and the overall significance to the financial results of the Bank.

III. Information Technology (IT) and controls impacting financial Reporting

The Bank's key financial accounting and reporting processes are highly dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.

Due to the pervasive nature and complexity of the IT environment as well as its importance in relation to accurate and timely financial reporting, we have identified this area as a Key Audit Matter.

IV. Assessment of Provisions and Contingent Liabilities (Note 10 and Note 12 of Schedule XV to the standalone financial statements):

Assessment of Provisions and Contingent liabilities in respect of certain litigations including Direct Taxes, various claims filed by other parties not acknowledged as debt (Schedule XI to the standalone financial statements) and various employee benefits schemes (Schedule V to the standalone financial statements) was identified as a significant audit area.

How our audit addressed the Key Audit Matters

Our audit approach/procedures towards Investments with reference to the RBI Circulars/directives included the understanding of internal controls and substantive audit procedures in relation to valuation, classification, identification of non-performing investments (NPIs) and provisioning/depreciation related to Investments. In particular -

- We evaluated and understood the Bank's internal control system to comply with relevant RBI guidelines regarding valuation, classification, identification of NPIs, reversal of income on NPIs and provisioning/depreciation related to investments;
- We assessed and evaluated the process adopted for collection of information from various sources for determining market value of these investments;
- For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master Circulars and directions by re-performing valuation for each category of the security;
- We carried out substantive audit procedures to recompute independently the provision to be maintained in accordance with the circulars and directives of the RBI. Accordingly, we selected samples from the investments of each category and tested for NPIs as per the RBI guidelines and recomputed the provision to be maintained and if accrual of income is in accordance with the RBI Circular for those selected sample of NPIs.

As a part of our audit procedures for review of the Bank's IT systems and related controls for financial reporting:

- We tested the design and operating effectiveness of the Bank's IT systems and controls that are critical to financial reporting.
- The Bank has a system in place for getting application software audits for identified Application Systems at reasonable intervals. Information System (IS) Audit is done by Bank at reasonable intervals.
- We reviewed key observations arising out of audits conducted on the Bank's IT systems during the year.

Our audit approach / procedures involved:

- Understanding the current status of the litigations/ tax assessments;
 - Examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up action thereon;
 - Evaluating the merit of the subject matters identified as significant, with reference to the grounds presented therein and available independent legal / tax advice including opinion of the Bank's tax consultants;
-

Key Audit Matter

There is high level of judgement involved in estimating the level of provisioning required as well as in the disclosure of both Provisions and Contingent Liabilities in respect of tax matters and other legal claims. The Bank's assessment is supported by the facts of matter, their own judgment, past experience, and advice from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in the Balance Sheet.

The valuations of the employee benefit liabilities are calculated with reference to multiple actuarial assumptions and inputs including discount rate, rate of inflation and mortality rates. The valuation of funded assets in respect of the same is also sensitive to changes in the assumptions.

We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of the matters which requires application of judgment in interpretation of law, circumstances of each case and estimates involved.

How our audit addressed the Key Audit Matters

- Review and evaluation of the contentions of the Bank through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues; and
- Ensuring completeness and accuracy of the data, the measurement of the fair value of the schemes' assets, understanding the judgements made in determining the assumptions used by management to value the employee liabilities with specific schemes and market practice.
- Our audit procedures included an assessment of some assumptions used by the actuary by comparing life expectancy assumptions with relevant mortality tables, benchmarking inflation and discount rates against external market data. We verified the value of plan assets to the statements provided by asset management companies managing the plan assets.
- Verification of disclosures related to significant litigations, taxation matters and Employee benefits liabilities in the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditors' Report thereon

6. The Bank's Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon. The Bank's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Bank's annual report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

7. The Bank's Management is responsible with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flow of the Bank in

accordance with the Small Industries Development Bank of India General Regulations, 2000 and accounting principles generally accepted in India including the applicable Accounting Standards issued by ICAI, and the circulars and guidelines issued by RBI from time to time. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimate that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. The Bank's Management are also responsible for overseeing the Bank's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statement 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 Bank'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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

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

Materiality is the magnitude of the misstatements in the standalone financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement 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 standalone financial statements for the financial year ended March 31, 2024 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.

9. Other Matters

- i. These Standalone Financial Results incorporate the relevant returns of 23 Branches visited /audited by us including Head office by us which covers 96.45% of Advances, 98.51% of deposits, 100% of Borrowings as on March 31, 2024 and 96.60% of Interest income on advances, 97.35% of interest expense on deposits and 99.74% of interest expense on borrowings for the period 01.04.2023 to 31.03.2024. These branches have been selected in consultation with the management of the bank.

In conduct our audit, we have relied upon various information and returns received from remaining branches of the bank not visited by us, generated through centralised database at Head Office.

- ii. The opening balances as of April 1 2023 has been taken based on the financial statements for the year ended March 31, 2023 audited by the predecessor independent auditor who vide their report dated May 12, 2023 have expressed an unmodified opinion.

Our opinion is not modified in respect of above matters.

Report on other Legal and Regulatory Requirements

10. The standalone Balance Sheet and the standalone Profit and Loss Account have been drawn up in accordance with the provisions of Regulation 14 (i) of the Small Industries Development Bank of India General Regulations, 2000.

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 and have found them to be satisfactory;
- b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank and

- c) The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.

11. We further report that:

- a) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- b) The Balance Sheet and Profit and Loss account and Cash flow statement dealt with by this report are in agreement with the books of account;
- c) In our opinion, the aforesaid standalone financial statements comply with the applicable accounting standards.

For J. Kala & Associates

Chartered Accountants

FRN: 118769W

(Jayesh Kala)

Partner

M. No.: 101686

UDIN:24101686BKAJVW8401

Date: May 29, 2024

Place : Mumbai

Standalone Balance Sheet

as at March 31, 2024

		[₹]	
		March 31, 2024	March 31, 2023
		Amount	Amount
CAPITAL AND LIABILITIES	SCHEDULES		
Capital	I	5,68,54,11,690	5,68,54,11,690
Reserves, Surplus and Funds	II	3,11,47,97,41,280	2,72,40,69,75,549
Deposits	III	20,63,84,20,90,591	16,50,36,14,64,621
Borrowings	IV	27,05,45,48,39,639	20,06,57,92,03,549
Other Liabilities and Provisions	V	1,38,74,75,34,843	88,79,41,95,410
Deferred Tax Liability		-	-
Total		52,25,20,96,18,043	40,23,82,72,50,819
ASSETS			
Cash and Bank Balances	VI	2,33,08,59,93,676	1,21,08,82,02,380
Investments	VII	3,64,09,90,81,370	2,90,88,65,76,872
Loans & Advances	VIII	45,60,15,07,04,381	35,64,39,06,80,346
Fixed Assets	IX	2,86,18,84,189	2,96,39,45,951
Other Assets	X	65,01,19,54,427	44,49,78,45,270
Total		52,25,20,96,18,043	40,23,82,72,50,819
Contingent Liabilities	XI	37,97,40,02,169	45,13,44,11,010

Significant Accounting Policies XV

Notes to Accounts XVI

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

As per our report of even date

BY ORDER OF THE BOARD

For J. Kala & Associates
Chartered Accountants
FRN.118769W

Ajit Nath Jha
Chief Financial Officer

Prakash Kumar
Deputy Managing Director

Sudatta Mandal
Deputy Managing Director

Jayesh Kala
Partner
M.No. 101686

G Gopalakrishna
Director

K S Nagnyal
Director

Place: Mumbai
Date: May 29, 2024

Standalone Profit & Loss Account

for the year ended March 31, 2024

		March 31, 2024	March 31, 2023
	SCHEDULES	Amount	Amount
INCOME			
Interest and Discount	XII	3,13,09,96,10,081	1,79,53,53,96,172
Other Income	XIII	6,32,13,04,418	5,31,27,81,800
Total		3,19,42,09,14,499	1,84,84,81,77,972
EXPENDITURE			
Interest & Financial charges		2,28,81,47,69,951	1,24,05,66,16,459
Operating Expenses	XIV	18,65,06,99,392	8,23,53,29,635
Provisions & Contingencies		19,05,50,87,556	8,58,14,07,506
Total		2,66,52,05,56,899	1,40,87,33,53,600
Profit before Tax		52,90,03,57,600	43,97,48,24,372
Provision for Income Tax		17,72,36,61,000	12,39,91,57,313
Deferred Tax Adjustment [(Asset) / Liability]		(5,08,63,10,000)	(1,86,00,74,573)
Profit after Tax		40,26,30,06,600	33,43,57,41,632
Profit brought forward		66,87,00,000	40,00,00,000
Total Profit / (Loss)		40,93,17,06,600	33,83,57,41,632
Appropriations			
Transfer to General Reserve		37,14,57,71,449	31,11,88,59,294
Transfer to Special reserve u/s 36(1)(viii) of The Income Tax Act, 1961		1,65,00,00,000	80,00,00,000
Others			
Transfer to Investment Fluctuation Reserve		2,50,52,813	-
Transfer to Staff Welfare Fund		16,85,00,000	11,11,00,000
Dividend on Shares		1,13,70,82,338	1,13,70,82,338
Tax on Dividend		-	-
Surplus in Profit & Loss account carried forward		80,53,00,000	66,87,00,000
Total		40,93,17,06,600	33,83,57,41,632
Basic/Diluted Earning Per Share		70.82	58.81

Significant Accounting Policies XV

Notes to Accounts XVI

The Schedules referred to above form an integral part of the Profit & Loss Account.

As per our report of even date

For **J. Kala & Associates**
Chartered Accountants
FRN.118769W

Jayesh Kala
Partner
M.No. 101686

BY ORDER OF THE BOARD

Ajit Nath Jha
Chief Financial Officer

G Gopalakrishna
Director

Prakash Kumar
Deputy Managing Director

K S Nagyal
Director

Sudatta Mandal
Deputy Managing Director

Place: Mumbai
Date: May 29, 2024

Schedules to Standalone Balance Sheet

CAPITAL AND LIABILITIES

Schedule I: Capital

	[₹]	
	March 31, 2024	March 31, 2023
(a) Authorized Capital	10,00,00,00,000	10,00,00,00,000
- Equity Share Capital (75,00,00,000 Equity Shares of ₹10/- each)	7,50,00,00,000	7,50,00,00,000
- Preference Share Capital (25,00,00,000 Redeemable Preference Shares of ₹10/- each)	2,50,00,00,000	2,50,00,00,000
(b) Issued, Subscribed and Paid-up Capital :	5,68,54,11,690	5,68,54,11,690
- Equity Share Capital (56,85,41,169 Equity Shares of ₹10/- each)	5,68,54,11,690	5,68,54,11,690
- Preference Share Capital	-	-
Total	5,68,54,11,690	5,68,54,11,690

Schedule II: Reserves, Surplus and Funds

	[₹]	
	March 31, 2024	March 31, 2023
A) Reserves		
i) General Reserve		
- Opening Balance	2,18,35,81,39,917	1,87,23,92,80,623
- Additions during the year	37,14,57,71,449	31,11,88,59,294
- Utilisations during the year	-	-
- Closing Balance	2,55,50,39,11,366	2,18,35,81,39,917
ii) Share Premium		
- Opening Balance	30,54,25,88,310	30,54,25,88,310
- Additions during the year	-	-
- Utilisations during the year	-	-
- Closing Balance	30,54,25,88,310	30,54,25,88,310
iii) Specific Reserves		
a) Investment Reserve		
- Opening Balance	-	-
- Additions during the year	-	-
- Utilisations during the year	-	-
- Closing Balance	-	-
b) Special Reserve created and maintained u/s 36 (1) (viii) of The Income Tax Act, 1961		
- Opening Balance	18,52,00,00,000	17,72,00,00,000
- Additions during the year	1,65,00,00,000	80,00,00,000
- Utilisations during the year	-	-
- Closing Balance	20,17,00,00,000	18,52,00,00,000
c) Other Reserves		
i) Investment Fluctuation Reserve		
- Opening Balance	1,25,89,52,956	1,25,89,52,956
- Additions during the year	2,50,52,813	-
- Utilisations during the year	-	-
- Closing Balance	1,28,40,05,769	1,25,89,52,956
B) Surplus in Profit and Loss account	80,53,00,000	66,87,00,000

Schedules to Standalone Balance Sheet

Schedule II: Reserves, Surplus and Funds (Contd.)

	[₹]	
	March 31, 2024	March 31, 2023
C) Funds		
a) National Equity Fund		
- Opening Balance	2,65,61,42,832	2,65,61,42,832
- Additions / Write back during the year	-	-
- Utilisations during the year	-	-
- Closing Balance	2,65,61,42,832	2,65,61,42,832
b) Staff Welfare Fund		
- Opening Balance	40,24,51,534	32,83,53,383
- Additions during the year	16,85,00,000	11,11,00,000
- Utilisations during the year	5,31,58,531	3,70,01,849
- Closing Balance	51,77,93,003	40,24,51,534
c) Others	-	-
Total	3,11,47,97,41,280	2,72,40,69,75,549

Schedule III: Deposits

	[₹]	
	March 31, 2024	March 31, 2023
A) Fixed Deposits	1,25,99,96,09,590	86,76,48,78,620
B) From Banks		
a) Under MSME Refinance Fund	18,91,19,34,36,000	15,28,76,15,16,000
b) Under MSME Risk Capital Fund	-	-
c) Others -From Foreign & Private Sector Banks	31,65,49,75,000	19,84,10,00,000
d) Under MSME India Aspiration Fund	14,99,40,70,001	14,99,40,70,001
e) Under Fund for Venture Capital in MSME sector 2014-15	-	-
Subtotal (B)	19,37,84,24,81,001	15,63,59,65,86,001
Total	20,63,84,20,90,591	16,50,36,14,64,621

Schedule IV: Borrowings

	[₹]	
	March 31, 2024	March 31, 2023
I) Borrowings in India		
1. From Reserve Bank of India	-	1,59,00,00,00,000
2. From Government of India (including Bonds subscribed by GOI)	4,36,28,02,083	5,17,27,06,344
3. Bonds & Debentures	8,11,80,29,00,000	4,67,55,00,00,000
4. From Other Sources		
- Commercial Paper	2,25,24,00,00,000	3,94,25,00,00,000
- Certificate of Deposits	3,54,90,00,00,000	2,46,35,00,00,000
- Term Loans from Banks	10,88,19,00,00,000	5,86,43,95,28,678
- Term Money Borrowings	-	-
- Others	1,89,37,08,41,814	1,05,40,96,07,622
Subtotal (I)	26,73,86,65,43,897	19,64,17,18,42,644

Schedules to Standalone Balance Sheet

Schedule IV: Borrowings (Contd.)

	[₹]	
	March 31, 2024	March 31, 2023
II) Borrowings outside India		
(a) KFW, Germany	1,38,94,71,253	3,70,76,76,702
(b) Japan International Cooperation Agency (JICA)	6,07,59,66,719	10,79,57,17,856
(c) IFAD, Rome	99,22,22,858	1,05,46,39,489
(d) World Bank	22,85,75,57,273	26,31,12,58,470
(e) Others	27,30,77,639	53,80,68,387
Subtotal (II)	31,58,82,95,742	42,40,73,60,905
Total (I & II)	27,05,45,48,39,639	20,06,57,92,03,549

Schedule V: Other Liabilities and Provisions:

	[₹]	
	March 31, 2024	March 31, 2023
Interest Accrued	46,36,54,05,347	27,67,89,02,900
Provision for SIDBI Employees' Provident Fund	4,17,08,65,424	3,93,85,26,360
Provision for SIDBI Pension Fund	1,12,40,51,149	44,04,31,465
Provision for Employees' Other Benefit	3,35,42,75,456	1,90,38,47,208
Provisions for Exchange Rate Fluctuation	1,53,73,62,766	1,53,73,62,766
Contingent provisions against standard assets	34,43,01,42,221	17,57,93,51,338
Proposed Dividend (including tax on dividend)	1,13,70,82,338	1,13,70,82,338
Funds viz. Aspire Fund, FoF for Startups, PRF, PRSF etc.	33,27,13,78,808	23,12,59,58,271
Floating provision	4,95,67,37,932	4,95,67,37,932
Others (including provisions)	8,40,02,33,402	6,49,59,94,832
Total	1,38,74,75,34,843	88,79,41,95,410

ASSETS

Schedule VI: Cash & Bank Balances

	[₹]	
	March 31, 2024	March 31, 2023
1. Cash in Hand & Balances with Reserve Bank of India	5,93,895	6,02,342
2. Balances with other Banks		
(a) In India		
i) in current accounts	1,93,95,29,201	6,25,83,58,601
ii) in other deposit accounts	2,31,12,83,11,702	1,12,07,41,43,932
(b) Outside India		
i) in current accounts	1,75,58,878	4,89,40,573
ii) in other deposit accounts	-	2,70,61,56,932
Total	2,33,08,59,93,676	1,21,08,82,02,380

Schedule VII: Investments [net of provisions]

	[₹]	
	March 31, 2024	March 31, 2023
A) Treasury operations		
1. Securities of Central and State Governments	2,69,04,48,00,772	1,48,12,97,19,214
2. Bonds & Debentures of Banks & Financial Institutions	19,53,22,74,081	21,81,08,38,302
3. Stocks, Shares, Bonds & Debentures of Industrial Concerns	51,56,74,010	84,44,58,856
4. Mutual Funds	-	-
5. Commercial Paper	17,96,12,57,158	26,05,26,90,303
6. Certificate of Deposit	15,55,01,34,525	62,98,61,30,050
7. Others	11,00,00,00,000	-
Subtotal (A)	3,33,60,41,40,546	2,59,82,38,36,725
B) Business Operations		
1. Shares of Banks & Financial Institutions	1,61,51,09,902	1,61,51,09,702
2. Bonds & Debentures of Banks & Financial Institutions	-	-
3. Stocks, Shares, bonds & Debentures of Industrial Concerns	3,47,28,88,561	5,34,48,59,563
4. Investment in Subsidiaries	17,51,04,98,740	17,51,04,98,740
5. Investment in Venture Capital Fund - RCF	4,67,17,29,717	5,24,72,57,872
6. Others	3,22,47,13,904	1,34,50,14,270
Subtotal (B)	30,49,49,40,824	31,06,27,40,147
Total (A+B)	3,64,09,90,81,370	2,90,88,65,76,872

Schedule VIII: Loans & Advances [Net of Provisions]

	[₹]	
	March 31, 2024	March 31, 2023
A) Refinance to		
- Banks and Financial Institutions	36,31,01,26,04,304	29,81,73,24,72,128
- Micro Finance Institutions	87,71,32,31,093	48,99,64,96,339
- NBFC	5,52,05,42,45,997	3,34,14,66,70,997
- Bills Rediscounted	-	-
Subtotal (A)	42,70,78,00,81,394	33,64,87,56,39,464
B) Direct Loans		
- Loans and Advances	2,75,09,88,63,090	1,93,97,14,30,050
- Receivable Finance Scheme	-	9,23,64,439
- Bills Discounted	14,27,17,59,897	5,45,12,46,393
Subtotal (B)	2,89,37,06,22,987	1,99,51,50,40,882
Total (A+B)	45,60,15,07,04,381	35,64,39,06,80,346

Schedule IX: Fixed Assets [Net of Depreciation]

	[₹]	
	March 31, 2024	March 31, 2023
1. Premises	2,81,35,50,735	2,92,87,49,254
2. Others	4,83,33,454	3,51,96,697
Total	2,86,18,84,189	2,96,39,45,951

Schedules to Standalone Balance Sheet

Schedule X: Other Assets

	[₹]
	March 31, 2024
	March 31, 2023
Accrued Interest	15,51,50,83,888
Advance Tax (Net of provision)	1,91,87,79,755
Staff Loans	1,95,26,21,807
Derivative Assets	5,41,20,83,018
Expenditure to the extent not written off	17,27,27,73,419
Others	2,42,65,03,383
Total	44,49,78,45,270

Schedule XI: CONTINGENT LIABILITIES

	[₹]
	March 31, 2024
	March 31, 2023
i) Claims against the Bank not acknowledged as debts	9,64,85,12,907
ii) On account of Guarantees / Letters of Credit	42,97,75,967
iii) On account of Forward Contracts	16,78,26,751
iv) On account of Underwriting Commitments	-
v) On account of uncalled monies on partly paid shares, debentures & undrawn commitment under VCF etc.	1,27,42,87,728
vi) On account of derivative contracts	33,61,40,07,657
vii) Other items for which the Bank is contingently liable	-
Total	45,13,44,11,010

Schedules to Standalone Profit & Loss Account

Schedule XII: Interest and Discount

	[₹]	
	March 31, 2024	March 31, 2023
1. Interest and Discount on Loans, Advances and Bills	2,71,81,93,58,227	1,51,72,88,51,545
2. Income on Investments / Bank balances	41,28,02,51,854	27,80,65,44,627
Total	3,13,09,96,10,081	1,79,53,53,96,172

Schedule XIII: Other Income

	[₹]	
	March 31, 2024	March 31, 2023
1. Upfront and Processing Fees	1,16,43,48,452	78,08,41,042
2. Commission and Brokerage	2,02,56,743	1,09,30,972
3. Profit on sale of Investments	86,65,00,642	44,63,03,402
4. Income earned by way of dividends etc. from Subsidiaries / Associates	34,13,05,185	27,14,88,889
5. Provision of Earlier Years written Back	-	-
6. Recoveries out of Bad Debts	2,27,76,44,029	2,86,91,76,097
7. Reversal of Provisions/ERFF under FCL	-	-
8. Others	1,65,12,49,367	93,40,41,398
Total	6,32,13,04,418	5,31,27,81,800

Schedule XIV: Operating Expenses

	[₹]	
	March 31, 2024	March 31, 2023
Payments to and provisions for employees	8,27,60,25,569	5,06,67,84,567
Rent, Taxes and Lighting	22,08,27,134	18,17,03,219
Printing & Stationery, Postage/Courier & Tele and Insurance	2,20,75,109	2,10,30,252
Advertisement and Publicity	27,63,00,600	11,47,42,304
Depreciation / Amortisation on Bank's Property	61,19,85,624	26,23,28,294
Directors' fees, allowances and expenses	53,14,229	81,12,867
Auditor's Fees	33,21,257	32,92,016
Law Charges	1,97,89,911	2,97,91,239
Repairs and maintenance	39,81,24,019	27,60,81,381
Issue Expenses	7,77,36,100	5,60,22,041
Capital Commitment, Management Fees etc.	13,37,33,616	19,79,10,602
Input Tax Credit not Available	31,67,48,282	19,19,22,592
Contribution to CGTMSE	5,00,00,000	-
Other Expenditure	3,28,87,17,942	1,82,56,08,261
Total	18,65,06,99,392	8,23,53,29,635

SCHEDULE XV – SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION

The financial statements have been prepared to comply in all material respects with the Small Industries Development Bank of India Act, 1989 and regulations thereof, prudential norms prescribed by Reserve Bank of India, applicable Accounting Standards issued by the Institute of Chartered Accountants of India and practices prevailing in the Banking Industry. The financial statements have been prepared under the historical cost convention on an accrual basis, unless otherwise stated. Except otherwise mentioned, the accounting policies that are applied by the Bank, are consistent with those used in the previous year.

Use of Estimates:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as of the date of the financial statements and the reported income and expenses for the reporting period. Management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods in accordance with the requirements of the respective accounting standard.

2. REVENUE RECOGNITION

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured.

A) INCOME:

- (i) Interest income including penal interest is accounted for on accrual basis, except in the case of non-performing assets where it is recognized upon realization.
- (ii) Income in the Profit & Loss Account is shown gross i.e. before provisions as per RBI guidelines and other provisions as per Bank's internal policy.
- (iii) Discount received in respect of bills discounted / rediscounted and on discounted instruments is recognized over the period of usance of the instruments on a constant yield basis.
- (iv) Commitment charges, service charges on seed capital / soft loan assistance and royalty income are accounted for on accrual basis in respect of standard (performing) assets.

- (v) Dividend on shares held in industrial concerns and financial institutions is recognized as income when the right to receive the dividend is established.
- (vi) Income from Venture Capital funds are accounted on realization basis. Redemption of unit/shares in Venture Capital fund, while in HTM category is not treated as a sale.
- (vii) Recovery in non-performing assets (NPA) is to be appropriated in the following order:
 - a) overdue interest upto the date of NPA,
 - b) principal,
 - c) cost & charges,
 - d) interest and
 - e) penal charges.
- (viii) Gain/loss on sale of loans and advances through direct assignment is recognized in line with the extant RBI guidelines.
- (ix) Amounts recovered against debts written-off in earlier years are recognized as income in the Profit and Loss account.
- (x) Profit or loss on sale of investments in any category is taken to profit & loss account. However, in case of profit on sale of investments under "Held to Maturity" category an equivalent amount net of applicable taxes is appropriated to Capital Reserves.
- (xi) Amount lying as unclaimed liabilities (other than statutory liabilities) for a period of more than seven years are recognized as income.
- (xii) The bank has accounted for interest on income tax refunds upon receipt of such refund orders / Order giving effects issued by Income Tax Department.
- (xiii) Recoveries of CGTMSE fees, Valuation charges, Advocate fee, Insurance, Upfront fee/ Processing fee etc. from Borrowers are accounted on cash basis.
- (xiv) Commission on LC/ BG are recognized on accrual basis proportionately over the period.

B) EXPENDITURE:

- (i) All expenditures are accounted for on accrual basis except Development Expenditure which is accounted for on cash basis.

- (ii) Discount on Bonds and Commercial Papers issued are amortized over the tenure of Bonds and Commercial Paper. The expenses relating to issue of Bonds are amortized over the tenure of the Bonds.

this category is revalued and net depreciation under any of the classification mentioned above is recognized in the profit & loss account. Net appreciation under any classification is ignored. The book value of individual scrip is not changed after the revaluation.

3. INVESTMENTS:

- (i) In terms of extant guidelines of the Reserve Bank of India on investment classification and valuation, the entire investment portfolio is categorized as "Held to Maturity", "Available for Sale" and "Held for Trading". Investments are valued in accordance with RBI guidelines. The investments under each category are further classified as
- Government Securities,
 - Other approved securities,
 - Shares,
 - Debentures & Bonds,
 - Subsidiaries/ joint ventures and
 - Others (Commercial Paper, Mutual Fund Units, Security Receipts, Certificate of Deposits etc.)

(a) Held to Maturity:

Investments acquired with the intention to hold till maturity are categorized under Held to Maturity. Such investments are carried at acquisition cost unless it is more than the face value, in which case the premium is amortized over the period remaining to maturity. Investments in subsidiaries classified as Held To Maturity.

Diminution, other than temporary, in the value of investments under this category is provided for each investment individually.

(b) Held for Trading:

Investments acquired for resale within 90 days with the intention to take advantage of the short-term price/interest rate movements are categorized under Held for Trading. The investments in this category are revalued scrip-wise and net appreciation /depreciation is recognized in the profit & loss account, with corresponding change in the book value of the individual scrips.

In respect of traded/ quoted investments, the market price is taken from the trades/ quotes available on the stock exchanges.

(c) Available for Sale:

Investments which do not fall within the above two categories are categorized under Available for Sale. The individual scrip under

- (ii) An investment is classified as 'Held To Maturity', 'Available For Sale' or 'Held For Trading' at the time of its purchase and subsequent shifting amongst categories and its valuation is done in conformity with RBI guidelines.
- (iii) Treasury Bills, Commercial Papers and Certificates of Deposit being discounted instruments are valued at carrying cost.
- (iv) The quoted Government Securities are valued at market prices and unquoted/non-traded government securities are valued at prices declared by Financial Benchmark India Pvt. Ltd. (FBIL).
- (v) Investments which are made out of the Corpus or Funds provided by the Government of India and netted off from the related Fund balances are carried at cost and not subjected to RBI guidelines of valuation.
- (vi) Recording purchase and sale transactions in Investments is done following 'Settlement Date' accounting.
- (vii) The debentures / bonds / shares deemed to be in the nature of advance, are subject to the usual prudential norms applicable to loans & advances.
- (viii) Cost of investments is determined on the weighted average cost method.
- (ix) Brokerage, commission, etc. paid at the time of acquisition/ sale are recognized in the profit & loss account.
- (x) Broken period interest paid / received on debt investment is treated as interest expenses / income and is excluded from cost / sale consideration.
- (xi) In respect of unquoted investments in industrial concerns under Seed Capital Scheme, full provision has been made.
- (xii) Units of mutual fund are valued at repurchase price as per relevant RBI guidelines.
- (xiii) The unquoted fixed income securities (other than government securities) are valued on Yield to Maturity (YTM) basis with appropriate mark-up over the YTM rates for Central Government securities of equivalent maturity. Such mark-up and YTM rates applied are as per the relevant rates published by FBIL.

- (xiv) Unquoted Shares are valued at breakup value, if the latest Audited Financial Statements of the investee companies are available, or at ₹1/- per Company as per RBI guidelines.

4. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded in the books of account in respective foreign currencies at the exchange rate prevailing on the date of transaction. Accounting for transactions involving foreign exchange is done in accordance with Accounting Standard (AS)-11 issued by Institute of Chartered Accountants of India, as per following provisions:

- (i) Contingent liability in respect of outstanding forward exchange contracts, guarantees; acceptances, endorsements and other obligations are calculated at the closing exchange rates notified by Foreign Exchange Dealers' Association of India ('FEDAI').
- (ii) Foreign currency Assets and Liabilities are translated at the closing exchange rates notified by FEDAI as at the Balance Sheet date
- (iii) Foreign currency Income and Expenditure items are translated at monthly intervals through actual sale/purchase and recognized in the profit & loss account accordingly.
- (iv) The revaluation difference on foreign currency LoC is adjusted and recorded in a special account opened and maintained, in consultation with GOI for managing exchange risk.
- (v) The Bank follows hedge accounting in respect of foreign exchange contracts and derivative transactions as per RBI guidelines.
- (vi) Exchange differences arising on the settlement of monetary items are recognized as income or expense in the period in which they arise.
- (vii) Outstanding Forward Exchange Contracts which are not intended for trading are revalued at exchange rates notified by FEDAI.

5. DERIVATIVES

The Bank presently deals in currency derivatives viz., Cross Currency Interest Rate Swaps for hedging its foreign currency liabilities. Based on RBI guidelines, the above derivatives undertaken for hedging purposes are accounted on an accrual basis. Contingent Liabilities on account of derivative contracts at contracted rupee amount are reported on the Balance Sheet date.

6. LOANS AND ADVANCES

- i. Assets representing loan and other assistance portfolios are classified as performing and non-performing based on the RBI guidelines. Provision for non-performing assets is made in accordance with the RBI guidelines.
- ii. Advances stated in the Balance Sheet are net of provisions made for non-performing advances, and restructured NPA assets.
- iii. General provision on Standard Assets is made as per RBI guidelines.
- iv. Floating provision is made and utilized as per RBI guidelines and Board approved policy.

7. TAXATION

- (i) Tax expense comprises both current tax and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS).
- (ii) Deferred income taxes reflect the impact of the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.
- (iii) Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.
- (iv) Disputed taxes not provided for including departmental appeals are included under Contingent Liabilities.

8. SECURITISATION

- i. The Bank purchases credit rated Micro, Small and Medium Enterprises Asset pools from Banks / Non-Banking Finance Companies by way of pass-through certificates issued by the Special Purpose Vehicle. Such securitization transactions are classified as Investments under Held for Trading

- / Available for Sale category depending upon the investment objective.
- ii. The Bank purchases credit rated pool of Micro, Small and Medium Enterprises assets under bilateral direct assignment. Such direct assignment transactions are accounted for as 'advances' by the Bank.
- iii. The Bank enters into sale of Loans & Advances through direct assignment. In most of the cases, the Bank continues to service the Loans & Advances sold under these transactions and is entitled to the Residual interest on the Loans & Advances sold. Assets sold under direct assignment are derecognized in the books of the Bank based on the principle of surrender of control over the assets.
- iv. The residual income on the Loans & Advances sold is being recognized over the life of the underlying Loans & Advances.
- v. Security Receipts issued by the asset reconstruction companies are valued in accordance with the guidelines applicable to such instruments, prescribed by RBI from time to time.

9. SALE OF FINANCIAL ASSETS TO ASSET RECONSTRUCTION COMPANIES (ARCs) :

- i. The sale of NPA's is on cash basis or investment in Security Receipt (SR) basis. In case of sale on SR basis, the sale consideration or part thereof is treated as investment in the form of SRs.
- ii. The assets if sold at a price below the Net Book Value (NBV) (i.e. book value less provisions held), the shortfall is debited to the Profit & Loss A/c. In case the sale value is higher than NBV, the excess provision held can be reversed to profit & loss account in the year the amounts are received. Reversal of excess provision is limited to the extent to which cash received exceeds the NBV of the asset.

10. PROVISIONING FOR STAFF BENEFITS

A] Post retirement benefits:

- i. Provident Fund is a defined contribution scheme administered by the Bank and the contributions are charged to the Profit & Loss Account.
- ii. Gratuity liability and Pension liability are defined benefit obligations and other long-term employee benefits like compensated absences, post-retirement medical benefits etc. are provided based on the independent actuarial valuation as at the Balance Sheet date using the projected unit credit method as per AS 15 (Revised 2005) - Employee Benefits.

- iii. Actuarial gains or losses are recognized in the profit & loss account based on actuarial valuations for the period in which they occur.
- iv. New Pension Scheme is a defined contribution scheme and is applicable to employees who have joined bank on or after December 01, 2011. Bank pays fixed contribution at pre-determined rate and the obligation of the Bank is limited to such fixed contribution. The contribution is charged to Profit & Loss Account.
- v. Payments made under the Voluntary Retirement Scheme are charged to the Profit & Loss account in the year of expenses incurred.

B] Benefits (Short – term) while in service

Liability on account of Short-term benefits are determined on an undiscounted basis and recognized over the period of service, which entitles the employees to such benefits.

11. FIXED ASSETS AND DEPRECIATION

- i) Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment losses, if any.
- ii) Cost of asset includes purchase cost and all expenditure incurred on the asset before put to use. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefits from such assets or their functioning capability.
- iii) Depreciation for the full year, irrespective of date of capitalization, is provided on:
 - (a) Furniture and fixture: For assets owned by Bank @ 100 percent
 - (b) Computer and Computer Software @ 100 percent
 - (c) Building @ 5 percent on WDV basis
 - (d) Electrical Installations: For assets owned by Bank @ 50 percent on WDV basis.
 - (e) Motor Car - Straight Line Method @ 50 percent.
- iv) Depreciation on additions is provided for full year and no depreciation is provided in the year of sale/ disposal.
- v) Leasehold land is amortized over the period of lease.

12. PROVISION FOR CONTINGENT LIABILITIES AND CONTINGENT ASSETS.

In accordance with AS-29 Provisions, Contingent Liabilities and Contingent Assets, the Bank recognizes provisions involving substantial degree of estimation in measurement when it has a present obligation as a result of past event, it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent Assets are neither recognized nor disclosed in the financial statements. Contingent liabilities are not provided for and are disclosed in the balance sheet and details given by way of Schedule to the Balance Sheet. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

13. GRANTS AND SUBSIDIES

Grants and subsidies from the Government and other agencies are accounted as per the terms and conditions of the agreement.

14. OPERATING LEASE

Lease rentals is recognized as an expense/income in the Profit & Loss Account on a straight line basis over the lease term in accordance with AS-19.

15. IMPAIRMENT OF ASSETS

The carrying amounts of assets are reviewed at each Balance Sheet date, if there is any indication of impairment based on internal/external factors, to recognize,

- a) the provision for impairment loss, if any required; or
- b) the reversal, if any, required for impairment loss recognized in the previous periods.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of cash flow statement include cash in hand, balances with RBI, balances with other banks, money at call and short notice and investment in Mutual Fund with an original maturity of three months or less.

SCHEDULE XVI - NOTES TO ACCOUNTS**1 Implementation of Ind-AS :**

As per RBI letter dated May 15, 2019 issued to the Bank, implementation of Ind-AS for AIFIs has been deferred till further notice. Accordingly, financial statements of the Bank are continued to be prepared under IGAAP.

- 2.1** As per the Accounting Standard 22, Accounting for Taxes on Income, the Bank has reviewed Deferred Tax Assets / Liabilities and recognized an amount of ₹5,08,63,10,000/- as Deferred Tax Assets (Previous year - Deferred Tax Assets was ₹1,86,00,74,573) in the Profit & Loss Account for the year ended March 31, 2024.

2.2 The Break up of Deferred Tax Asset/ (Liability) as on March 31, 2024 is as under :

		₹	
Timing Difference		March 31, 2024	March 31, 2023
		Deferred Tax	Deferred Tax
		Asset/(Liability)	Asset/(Liability)
a)	Provision for Depreciation on fixed assets	9,90,90,331	2,96,73,234
b)	Special Reserve u/s 36(1)(viii) of the Income Tax Act 1961	(4,47,95,70,414)	(4,07,64,80,346)
c)	Provision for Non performing assets	25,11,88,222	6,23,93,197
d)	Provision for Restructuring of Accounts	0	60,105
e)	Provision for Non Performing Investment	75,81,90,678	83,40,09,746
f)	Provision for Standard Assets	8,66,53,78,194	4,42,43,69,221
g)	Others	1,64,46,52,052	57,85,93,831
Net deferred tax Asset/(Liability)		6,93,89,29,063	1,85,26,18,988

3 Provision for Income Tax includes:

		₹	
Sr. No.	Particulars	March 31, 2024	March 31, 2023
(i)	Current Income Tax Provision	17,72,36,61,000	12,39,91,57,313
(ii)	Short/(Excess) Income Tax Provision of Earlier Years	-	-

(The Tax Liability has been vetted by the Tax consultant.)

4 Contingent Liabilities referred to in Schedule XI

Contingent liabilities include "Claims against the Bank not acknowledged as debts" of ₹ 9,89,43,47,386 (Previous Year ₹9,64,85,12,907). These represents claims filed against the Bank in the normal course of business relating to various legal cases currently in progress and demands raised by income tax and other statutory authorities. These is being disputed by the Bank and based on expert's opinion, the provision is not considered necessary.

5 Bonds and Debentures' under Borrowings in schedule IV includes the following :

		₹	
		March 31, 2024	March 31, 2023
a)	Unsecured Bonds	8,11,80,29,00,000	4,67,55,00,00,000

6 Expenditure to the extent not written off under Other Assets in schedule X includes the following:

		₹	
		March 31, 2024	March 31, 2023
a)	Interest Paid In Advance On Borrowings	-	-
b)	Discount paid in Advance - Certificate of Deposit	14,47,55,57,816	11,22,78,31,482
c)	Discount paid in Advance - Commercial Paper	2,25,45,45,806	6,02,69,13,232
d)	Expenditure on Issuance of Unsecured Bonds	3,78,42,376	1,80,28,705
Total		16,76,79,45,998	17,27,27,73,419

7 Interest and Financial Charges

		₹	
		March 31, 2024	March 31, 2023
a)	Interest on Borrowings	1,41,98,14,76,356	68,47,97,90,498
b)	Interest on Deposits	85,68,71,97,079	53,28,58,38,256
c)	Financial Charges	1,14,60,96,516	2,29,09,87,705
Total		2,28,81,47,69,951	1,24,05,66,16,459
8	Estimated amount of contracts remaining to be executed on Capital Account not provided for (net of advance paid)	-	73,41,057
9	Premises in Schedule IX include advances towards acquisition of Premises Nil (Previous Year ₹11,06,68,896) since then received & provision created in earlier year has been written back and Capital Work in Progress ₹60,85,989.66 (Previous Year ₹1,63,402,411.58).		
10	The borrowing of ₹NIL (Previous Year ₹43,60,88,890) from Govt. of India under the JICA IV loan is carried forward in the 'Schedule IV - Borrowings' to the Balance Sheet at its historic rupee value since SIDBI's liability towards principal repayment under the agreement, is not expected to exceed the aggregate of rupee borrowings and the balance in the ERFF maintained for this loan. Applicable interest at 8% is credited to this ERFF account and interest payable in JPY (converted to equivalent INR) is debited out of this account. The balance as on March 31, 2024 in ERFF maintained for this loan is (₹27,76,93,498.71) (Previous Year ₹12,80,09,250).		
11	The Bank has contracted a line of credit for USD 300 million from World Bank for scaling up Sustainable and Responsible Micro Finance Project including IDA portion aggregating SDR 65.9 million (equivalent of USD 100 million). Under IDA line, Govt. of India is the borrower and rupee funds are lent to SIDBI by GOI though the exchange risk on the underlying is required to be borne by SIDBI as per the terms of the agreement. Thus, though GOI released rupee funds to SIDBI, the same was recorded as SDR liability in the books of SIDBI to depict correct position so that revaluation difference gets suitably reflected in the year end figures. Accordingly, the drawl effected under the above line aggregating SDR 42.83 million (equivalent to ₹ 436.28 Crore) as on March 31, 2024 [Previous Year SDR 42.83 million (equivalent to ₹473.66 Crore)] from GOI is recorded as SDR liability and the underlying liability has been hedged by way of Cross Currency Interest Rate Swaps. The same has been grouped under Schedule IV - 'Borrowings in India'.		
12	<p>(a) ASPIRE Fund is a ₹310 crore Fund of Funds, allocated by Ministry of Micro, Small & Medium Enterprises, Government of India, to be managed by SIDBI. The Fund is being utilized to make investment in Venture Capital Funds targeting Start Ups/ early stage enterprises promoting Innovation, Entrepreneurship, Forward Backward linkage with multiple value chain of manufacturing and service delivery, accelerator support, etc. in the Agro based Industry and sectors to galvanize the rural economy. The investments (out of ASPIRE fund) are held by SIDBI in fiduciary capacity. The balance of ASPIRE Fund, net of investment is grouped under "Other Liabilities" in the Balance Sheet and all gains/losses/income/ expenditure are the part of the fund. The balance in the fund is ₹269,35,96,760 as on March 31, 2024 (Previous year ₹ 2,85,32,30,682).</p> <p>b) Government of India has formulated a Scheme for Fund of Funds for Start-ups (FFS) with the principal objective of enhancing the equity availability to Start-ups. Under the Scheme, an amount of ₹10,000 crore has been proposed as FFS to be managed by SIDBI. The Government has since released an amount of ₹5686,29,44,000 and also permitted to take further commitments under FFS. During the year, Government has advised SIDBI to continue to make commitment to the Alternative Investment Fund (AIF). These investments (out of FFS) are held by SIDBI in fiduciary capacity. The fund balance of FFS, net of investment is grouped under "Other Liabilities" in the Balance Sheet and all gains/losses/income/ expenditure are the part of the fund. The balance in the fund is ₹20,05,10,85,853 as on March 31, 2024 (Previous year ₹11,50,51,12,191).</p> <p>c) Under the UP IT & Start-Up Policy 2017, the Government of Uttar Pradesh shall establish an initial Corpus of INR 1,000 crore to promote start-ups to establish and flourish in the state. The fund shall be in the form of fund of funds. In this model, the fund shall not be invested directly into start-up companies, rather it shall participate in SEBI approved funds. The funds shall be professionally managed by SIDBI, the Fund Manager. The Government of Uttar Pradesh has since release an amount of ₹225 crore. These investments (out of UP Startup Fund) are/shall be held by SIDBI in fiduciary capacity. The fund balance of UP Startup Fund, net of investment is grouped under "Other Liabilities" in the Balance Sheet and all gains/losses/income/expenditure are the part of the fund. The balance in the fund is ₹214,75,58,298 as on March 31, 2024 (Previous year ₹1,19,10,28,364).</p>		

d) MSME Department of the Government of Odisha shall established an initial corpus of ₹100 crore for long-term support for startups. The fund shall be in the form of fund of funds. In this model, the fund shall not be invested directly into start-up companies, rather it shall participate in SEBI approved funds. The funds shall be professionally managed by SIDBI, the fund manager. The Government of Odisha has since released an amount of ₹25 crore. These investments (out of Odisha Startup Growth Fund) are held by SIDBI in fiduciary capacity. The fund balance of Odisha Startup Growth Fund, net of investment is grouped under "Other Liabilities" in the Balance Sheet and all gains/losses/income/expenditure are the part of the fund. The balance in the fund is ₹24,73,36,066 as on March 31, 2024 (Previous Year NIL).

13 The Bank has pledged Government Securities aggregating to face value ₹ 272,400,000,000 (book value ₹ 2,69,04,48,00,772.83) [Previous Year ₹1,45,95,00,00,000 (book value ₹ 1,43,69,82,11,825)] with Clearing Corporation of India Ltd. for Triparty Repo Dealing and Settlement (TREPS).

14 IFAD had extended a foreign currency loan to SIDBI of SDR 16.35 million, vide loan agreement dated February 18, 2002. As per the terms of loan agreement, IFAD had disbursed loan in USD and it is to be repaid in USD equivalent to SDR. The Bank has accounted accordingly in the books of account. The balance as on March 31, 2024 for this loan is ₹99,22,22,858 (Previous Year ₹1,05,46,39,489)

15 Employee Benefits

In accordance with the Accounting Standard on "Employee Benefits" (AS 15) (Revised 2005) issued by the Institute of Chartered Accountants of India, the Bank has classified the various benefits provided to the employees as under:

(a) Defined contribution plan

The Bank has recognized the following amounts in Profit & Loss Account:

Particulars	March 31, 2024	March 31, 2023
Employer's contribution to Provident fund	12,15,49,983	9,18,53,963
Employer's contribution to New Pension Scheme	12,81,87,062	8,95,82,393

(b) The Bank is having defined benefit Pension Plans and Gratuity Scheme which are managed by the Trust.

	₹ Crore			
	Pension		Gratuity	
	FY 2024	FY 2023	FY 2024	FY 2023
1. Assumptions				
Discount Rate	7.20%	7.50%	7.20%	7.40%
Rate of Return on Plan Assets	7.20%	7.50%	7.20%	7.40%
Salary Escalation	5.50%	5.50%	5.50%	5.50%
Attrition rate	2.00%	2.00%	2.00%	2.00%
2. Table showing change in Benefit Obligation				
Liability at the beginning of the year	679.80	576.93	107.40	108.95
Interest Cost	25.92	24.65	7.57	7.09
Current Service Cost	14.45	13.48	5.98	5.92
Past Service Cost (Non Vested Benefit)	0.00	0.00	0.00	0.00
Past Service Cost (Vested Benefit)	0.00	0.00	0.00	0.00
Liability Transferred in	0.00	0.00	0.00	0.00
(Liability Transferred out)	0.00	0.00	0.00	0.00
(Benefit Paid)	0.00	0.00	(13.97)	(12.44)
Actuarial (gain) / loss on obligations	47.53	64.74	4.90	(2.12)
Liability at the end of the year	767.70	679.80	111.88	107.40
3. Tables of Fair value of Plan Assets				
Fair Value of Plan Assets at the beginning of the year	635.76	589.61	102.30	105.92
Expected Return on Plan Assets	47.68	42.75	7.41	7.08
Contributions	0.00	0.00	0.01	0.04
Transfer from other company	0.00	0.00	0.00	0.00
(Transfer to other company)	0.00	0.00	0.00	0.00
(Benefit Paid)	0.00	0.00	(13.97)	(12.44)

₹ Crore

	Pension		Gratuity	
	FY 2024	FY 2023	FY 2024	FY 2023
Actuarial gain / (loss) on Plan Assets	(1.27)	3.40	(0.36)	1.70
Fair Value of Plan Assets at the end of the year	682.17	635.76	95.39	102.30
4. Table of Recognition of Actuarial Gains/ Losses				
Actuarial (Gains)/ Losses on obligation for the period	47.53	64.74	4.90	(2.12)
Actuarial (Gains)/ Losses on asset for the period	1.27	(3.40)	0.36	(1.70)
Actuarial (Gains)/ Losses recognized in Income & Expense Statement	48.80	61.34	5.26	(3.82)
5. Actual Return on Plan Assets				
Expected Return on Plan Assets	47.68	42.75	7.41	7.08
Actuarial Gain / (Loss) on Plan Assets	(1.27)	3.40	(0.36)	1.70
Actual Return on Plan Assets	46.41	46.15	7.05	8.78
6. Amount Recognised in the Balance Sheet				
Liability at the end of the year	(767.70)	(679.80)	(111.88)	(107.40)
Fair Value of Plan Assets at the end of the year	682.17	635.76	95.39	102.30
Difference	(85.53)	(44.04)	(16.49)	(5.10)
Unrecognised Past Service Cost at the end of the year	0.00	0.00	0.00	0.00
Unrecognised Transitional Liability at the end of the year	0.00	0.00	0.00	0.00
Net Amount recognised in the Balance Sheet	(85.53)	(44.04)	(16.49)	(5.10)
7. Expenses Recognised in the Income Statement				
Current Service Cost	14.46	13.48	5.98	5.92
Interest Cost	25.92	24.65	7.57	7.09
Expected Return on Plan Assets	(47.68)	(42.75)	(7.41)	(7.08)
Past Service Cost (Non Vested Benefit) recognised during the year	0.00	0.00	0.00	0.00
Past Service Cost (Vested Benefit) recognised during the year	0.00	0.00	0.00	0.00
Recognition of Transition Liability during the year	0.00	0.00	0.00	0.00
Actuarial (Gain) / Loss	48.80	61.34	5.26	(3.82)
Expense Recognised in Profit & Loss account	41.50	56.72	11.40	2.11
8. Balance Sheet Reconciliation				
Opening Net Liability	44.04	(12.68)	5.10	3.03
Expense as above	41.50	56.72	11.40	2.11
Employers Contribution	0.00	0.00	(0.01)	(0.04)
Amount recognised in the Balance Sheet	85.54	44.04	16.49	5.10

9. Other Details

Salary escalation is considered in line with the industry practice considering promotion, demand and supply of the employees.

	Pension		Gratuity	
	FY 2024	FY 2023	FY 2024	FY 2023
10. Category of Assets	0.00	0.00	0.00	0.00
Government of India Assets	0.00	0.00	0.00	0.00
Corporate Bonds	0.00	0.00	0.00	0.00
Special Deposits Scheme	0.00	0.00	0.00	0.00
Equity Shares of Listed Companies	0.00	0.00	0.00	0.00
Property	0.00	0.00	0.00	0.00
Insurer Managed Funds	682.17	635.76	95.39	102.30
Other				
Total	682.17	635.76	95.39	102.30

11. Experience Adjustment:

Particular	Pension					Gratuity				
	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020
On Plan Liability (Gain)/Loss	17.32	85.05	15.71	(1.14)	46.87	3.44	1.60	0.65	(0.43)	3.28
On Plan Asset (Loss)/Gain	1.27	3.40	53.76	(1.15)	25.17	(0.36)	1.70	(0.22)	(0.13)	0.09

(c) The following are the amount charged to Profit & Loss Account relating to other long term benefits plan based on the actuarial valuation provided by independent actuary.

Sr. No	Particulars	March 31, 2024	March 31, 2023
1	Ordinary Leave Encashment	31.61	40.97
2	Sick Leave	-0.08	1.86
3	Resettlement Expenses	0.75	0.46
4	Post Retirement Medical Scheme Facilities	9.21	0.79

16 Earnings Per Share(EPS) (AS-20):

The Bank reports basic and diluted Earnings Per Share in accordance with AS 20. Basic Earnings per Share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding at the year end. Diluted Earnings per Share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the period. Diluted Earnings per Share is computed by dividing the net profit after tax by the sum of the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end.

	March 31, 2024	March 31, 2023
Net Profit considered for EPS calculation (₹)	40,26,30,06,600	33,43,57,41,632
Weighted Average Number of equity shares of face value ₹ 10 each	56,85,41,169.00	56,85,41,169
Earning per share (₹)	70.82	58.81

* Basic & Diluted EPS are same as there are no dilutive potential Equity Shares.

- 17** The proposed dividend, if any, is accounted as liability in the books of accounts under Schedule V.
- 18** In the opinion of the Management, there is no material impairment of the fixed assets of the Bank in terms of Accounting Standard 28- Impairment of Assets.
- 19** Disclosures under Accounting Standard 29 for provisions in contingencies. The salary & allowances of the employees of the Bank are reviewed every five years. Such review is due from November 01, 2022.

Particulars	Wage Arrears / Incentive ₹	
	FY 2024	FY 2023
Opening Balance	23,64,78,635	1,39,13,00,000
Additions:		
Arrears	1,17,22,22,552	65,69,31,704
Incentive		
Utilisations:	1,71,67,511	1,81,17,53,069
Write back		
Closing Balance	1,39,15,33,676	23,64,78,635

- 20** The Bank has put in place a mechanism to manage credit risk arising out of unhedged foreign currency exposures (UFCE) of its borrowers. A review of the UFCE across its portfolio is undertaken by the Bank on periodic basis. In terms of RBI circular DBOD No. BPBC.85/21.06.200/2013-14 dated 15.01.2014 & subsequent clarification vide circular DBOD NO.BPBC.116/21.06.200/2013-14 dated 03.06.2014, based on available data, the provision for UFCE works out to ₹15.72 crore as on March 31, 2024 (Previous year ₹9.48 crore) which has been included under provisions for standard assets under Schedule V.
- 21** As per the practice consistently followed, redemption in Venture Capital Funds is accounted as per the distribution letter received from Venture Capital Funds, irrespective of the appropriation policy as specified in the contribution agreement.

22 Investor's Complaints:

As on 1st April, 2023 the Bank had "Nil" pending investor's complaints for disposal. During the current financial year "18" complaints were received from Investors and "18" complaints were disposed off during the year. Accordingly "Nil" complaint was pending for disposal as on March 31, 2024.

23 Divergence in Asset Classification and Provisioning for NPAs

As per RBI circular No. DBR.BP.BC. No.32/21.04.018/2018-19 dated April 1, 2019, in case the additional provisioning for NPAs assessed by RBI exceeds 10% of the reported profit before provisions and contingencies and/or additional Gross NPAs identified by RBI exceeds 15% of published incremental Gross NPAs for the reference period then banks are required to disclose divergences from prudential norms on income recognition, asset classification and provisioning. There is no Divergence from prudential norms assessed by RBI for the year ended 31st March,2023.

24 Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances for MSME Borrowers registered under Goods and Services Tax (GST):

As per RBI circular dated February 11, 2020 restructuring of advances was done for Micro, Small and Medium Enterprises (MSME) Borrowers registered under Goods and Services Tax (GST). The RBI, vide its Circular dated August 06, 2020 on 'Micro, Small and Medium Enterprises (MSME) Sector - Restructuring of Advances' extended the above scheme to support the viable MSME entities on account of the fallout of Covid19. Further RBI vide circular RBI/2021-22/32 DOR.STR.REC.12/21.04.048/2021-22 dated May 5, 2021 has advised Resolution Framework 2.0 – Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises (MSMEs). The MSME accounts restructured under these guidelines are as under:

No. of accounts restructured	Amount (₹ in Crore)
915	554.34

25 Disclosure relating to Resolution Plans implemented during the year in terms of RBI Circular DBR.No.BP. BC.45/21.04.048/2018-19 dated June 7, 2019:

i) RPs Successfully implemented during the year ended March 31, 2024

"No. of cases	Balance Outstanding Amount (₹ in Crore)
Nil	Nil

ii) Details of Securities acquired due to conversion of debt to equity during a restructuring process:

Particulars	No of Shares/units	Face Value per share (in ₹)	Book Value(in ₹)
Nil	Nil	Nil	Nil

iii) Details of resolution plans implemented under the RBI Resolution Framework for COVID-19 related stress as per RBI circular dated 6th August, 2020 (Resolution Framework 1.0) and 5th May 2021 (Resolution Framework 2.0) as at March 31, 2024 are given below :

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year \$	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	---	---	---	---	---
Corporate persons	24.66	---	---	15.54	9.12
Of which MSMEs	24.66	---	---	15.54	9.12
Others	---	---	---	---	---
Total	24.66	---	---	15.54	9.12

\$ Represents net movement in balance outstanding.

iv) The number of borrower accounts where Resolution Plan is implemented in terms of RBI circular no. DOR.STR.REC.11/21.04.048/2021-22 dated May 5, 2021 on Resolution Framework – 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses is nil. Further no modifications were sanctioned and implemented in respect of accounts which were implemented under Resolution Framework 1.0

26 During the year ended March 31,2024, the Bank has made an additional provision on standard advances at rates higher than minimum stipulated under IRAC norms, as per Board approved Accelerated Provisioning Policy. Accordingly, the Bank holds additional provision on standard advances (including restructured accounts) of ₹1,538.90 crore at March 31, 2024.

27 Details of loans transferred / acquired during the Year ended March 31, 2024 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

i. Details of loans not in default acquired through assignment are given below:

Particulars	2023-24	2022-23
Aggregate amount of loans acquired (₹ in crore)	48.94	---
Weighted average residual maturity (in months)	106.84	---
Weighted average holding period by the originator (in months)	13.31	---
Retention of beneficial economic interest by the originator	20%	---
Tangible security coverage	266.45%	---
rating-wise distribution of rated loans	---	---

ii. Details of non-performing assets (NPAs) transferred

Particulars	₹ in crore		
	To ARCs	To permitted transferees	To other transferees
No. of accounts	2	---	---
Aggregate principal outstanding of loans transferred	939	---	---
Weighted average residual tenor of the loans transferred	NA	---	---
Net book value of loans transferred (at the time of transfer)	---	---	---
Aggregate consideration	455	---	---
Additional consideration realized in respect of accounts transferred in earlier years	---	---	---

During the year ended March 31, 2024, investment made in Security Receipts (SRs) was ₹56.77 crore. The Security Receipts are provided for and hence the net book value is nil. Excess provisions reversed to the profit and loss account on account of sale of stressed loans was nil.

iii. the bank has not transferred any loan not in default / Special Mention Accounts (SMA).

iv. The Bank has not acquired any stressed loan.

28 In accordance with RBI Master Direction RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021 – (Securitisation of Standard Assets) Directions, 2021, the outstanding amount of securitised assets as per books of the SPEs and total amount of exposures retained by the originator as on the date of balance sheet to comply with the MRR is NIL for Year ended March 31, 2024.

29 In accordance with RBI Circular no. RBI/2023-24/90 DOR.STR.REC.58/21.04.048/2023-24 dated December 19, 2023- Investments in Alternative Investment Funds (AIFs) and subsequent clarification vide circular no. RBI/2023-24/140 DOR.STR.REC.85/21.04.048/2023-24 dated March 27, 2024, the Bank has made Provision of ₹ 110.64 Cr. for the Quarter and Year ended March 31, 2024.

30 Schedule "XIV-Operating Expenses" includes the contribution of ₹500 crore made to CGTMSE by the Bank.

31 Regulation 14 of Small Industries Development Bank of India General Regulations, 2000 prescribes separate format for presentation of accounts under Small Industries Development Assistance Fund(SIDAF) and General Fund. As no separate SIDAF has been notified by the Central Government, the same is not being maintained by SIDBI.

32 Previous year's figures have been re-grouped and re-classified wherever necessary to make them comparable with the current year's figures.

Additional disclosures to Standalone Accounts

as per RBI guidelines

1. Capital adequacy (As per Basel I)

		(₹ Crore)	
Sr. No.	Particulars	FY 2023-24	FY 2022-23
i)	Common Equity*	Not Applicable	Not Applicable
ii)	Additional Tier 1 capital*	Not Applicable	Not Applicable
iii)	Total Tier 1 capital	28,024.52	24,589.43
iv)	Tier 2 capital	1027.03	623.95
v)	Total Capital (Tier 1+Tier 2)	29,051.55	25,213.38
vi)	Total Risk Weighted Assets (RWAs)	1,82,277.73	1,30,691.61
vii)	Common Equity Ratio (Common Equity as a percentage of RWAs) *	Not Applicable	Not Applicable
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.37%	18.81%
ix)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	15.94%	19.29%
x)	Percentage of the shareholding of the Government of India	20.85	20.85
xi)	Amount of equity capital raised	-	-
xii)	Amount of Additional Tier 1 capital raised; of which	-	-
	a.) Perpetual Non-Cumulative Preference Shares (PNCPS):	-	-
	b.) Perpetual Debt Instruments (PDI)	-	-
xiii)	Amount of Tier 2 capital raised; of which	-	-
	a.) Debt capital instruments:	-	-
	b.) Perpetual Cumulative Preference Shares (PCPS)	-	-
	c.) Redeemable Non-Cumulative Preference Shares (RNCPS)	-	-
	d.) Redeemable Cumulative Preference Shares (RCPS)	-	-

* The figures are not being calculated at present, since BASEL-III is not applicable.

2. Free Reserves and Provisions

(a) Provision on Standard Assets

		(₹ Crore)	
Particulars	FY 2023-24	FY 2022-23	
Provisions towards Standard Assets (cumulative)	3,443.01	1757.94	

(b) Floating Provisions

		(₹ Crore)	
Particulars	FY 2023-24	FY 2022-23	
Opening balance in the floating provisions account	495.67	495.67	
The quantum of floating provisions made in the accounting year	0.00	0.00	
Amount of draw down made during the accounting year*	0.00	0.00	
Closing balance in the floating provisions account	495.67	495.67	

* Amount utilised for making NPA provision in terms of RBI circular dated May 05, 2021 and as per Bank's Board approved policy on floating provision.

3. Asset Quality and specific provisions

(a) Non-Performing Advances

		(₹ Crore)	
Particulars	FY 2023-24	FY 2022-23	
(i) Net NPAs to Net Advances (%)	0.00%	0.00%	
(ii) Movement of NPAs (Gross)			
(a) Opening balance	33.35	217.62	
(b) Additions during the year	129.38	93.39	
(c) Reductions during the year	62.91	277.66	
(d) Closing balance	99.82	33.35	

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(iii) Movement of Net NPAs *		
(a) Opening balance	8.56	132.10
(b) Additions during the year	(1.29)	(82.66)
(c) Reductions during the year	7.27	40.88
(d) Closing balance	(0.00)	8.56
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	24.79	85.52
(b) Provisions made during the year	130.66	176.05
(c) Write of / write back of excess provisions	55.63	236.78
(d) Closing balance	99.82	24.79

*The Net NPA will be NIL for the previous year, if the amount of floating provision is adjusted against the same.

(b) Non-Performing Investments

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(i) Net NPIs to Net Investments (%)	0.00%	0.00%
(ii) Movement of NPIs (Gross)		
(a) Opening balance	331.38	350.16
(b) Additions during the year	350.31	0.00
(c) Reductions during the year	0.80	18.78
(d) Closing balance	680.89	331.38
(iii) Movement of Net NPIs		
(a) Opening balance	0.00	0.00
(b) Additions during the year	0.00	0.00
(c) Reductions during the year	0.00	0.00
(d) Closing balance	0.00	0.00
(iv) Movement of provisions for NPIs (excluding provisions on standard assets)		
(a) Opening balance	331.38	350.16
(b) Provisions made during the year*	350.31	0.00
(c) Write of / write back of excess provisions	0.80	18.78
(d) Closing balance	680.89	331.38

*Includes Optionally Convertible Debentures of ₹297.76 crore, Security Receipt of ₹52.44 crore (initial investment of ₹56.77 crore) and Equity Share of ₹0.01 crore acquired by way of conversion of debt, in line with extant RBI guidelines.

(c) Non-Performing Assets (a+b)

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(i) Net NPAs to Net Assets (Advanced + investments) (%)	0.00%	0.00%
(ii) Movement of NPAs (Gross Advances + Gross investments)		
(a) Opening balance	364.74	567.79
(b) Additions during the year	479.69	93.39
(c) Reductions during the year	63.71	296.44
(d) Closing balance	780.72	364.74
(iii) Movement of Net NPAs		
(a) Opening balance	8.56	132.10
(b) Additions during the year	(1.29)	(82.66)
(c) Reductions during the year	7.27	40.88
(d) Closing balance	0.00	8.56
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	356.18	435.69
(b) Provisions made during the year	480.98	176.05
(c) Write of / write back of excess provisions	56.44	255.56
(d) Closing balance	780.72	356.18

(e) Movement of Non-performing assets

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
Gross NPAs as on April 01	33.35	217.62
Additions (Fresh NPAs) during the year	129.38	93.39
Sub total (A)	162.73	311.01
Less :-		
(i) Upgradations	6.72	35.01
(ii) Recoveries (excluding recoveries made from upgraded accounts)	1.84	23.84
(iii) Technical / Prudential Write offs	54.35	211.42
(iv) Write offs other than those under (iii) above	-	7.39
Sub-total (B)	62.91	277.66
Gross NPAs as on March 31 (A-B)	99.82	33.35

(f) Write-offs and recoveries

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
Opening balance of Technical / Prudential written off accounts as at April 01	2,768.23	3,389.19
Add : Technical / Prudential write offs during the year	54.35	211.42
Sub total (A)	2,822.58	3,600.61
Less : Actual write off*	966.48	543.57
Less : Recoveries made from previously technical / prudential written off accounts during the year	228.13	288.81
Sub total (B)	1,194.61	832.38
Closing balance as at March 31 (A-B)	1,627.97	2,768.23

*Includes Optionally Convertible Debentures of ₹297.76 crore, Security Receipt of ₹52.44 crore (initial investment of ₹56.77 crore) and Equity Share of ₹0.01 crore acquired by way of conversion of debt in line with extent RBI guidelines.

(g) Overseas Assets, NPAs and Revenue

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
Total Assets	Nil	Nil
Total NPAs	Nil	Nil
Total Revenue	Nil	Nil

(h) Depreciation and provisions on investments

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(1) Investments		
(i) Gross Investments	37,118.30	29,450.89
(a) In India	37,118.30	29,450.89
(b) Outside India	-	-
(ii) Provisions for Depreciation	708.39	362.23
(a) In India	708.39	362.23
(b) Outside India	-	-
(iii) Net Investments	36,409.91	29,088.66
(a) In India	36,409.91	29,088.66
(b) Outside India	-	-

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	30.85	4.80
(ii) Add: Provisions made during the year	-	26.05
(iii) Appropriation, if any, from Investment Fluctuation Reserve Account during the year	-	-
(iv) Less: Write off / write back of excess provisions during the year*	3.35	-
(v) Less: Transfer, if any, to Investment Fluctuation Reserve Account	-	-
(vi) Closing balance	27.50	30.85

*The Bank has appropriated ₹2.51 crore (net of applicable taxes) to Investment Fluctuation Reserve Account in FY 2024.

(i) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	(₹ Crore)	
	FY 2023-24	FY 2022-23
Provisions for depreciation/NPI on Investment	(8.38)	7.27
Provision towards NPA	129.23 @	157.78 @
Provision made towards Income tax (Including Deferred Tax Assets/Liability)	1263.74	1053.91
Other Provision and Contingencies (with details)	1784.65 \$	693.09 \$

@ net of restructuring provision

\$ includes provision for standard asset.

(j) Provisioning Coverage Ratio (PCR)

	(₹ Crore)	
	FY 2023-24	FY 2022-23
Provisioning Coverage Ratio (PCR)*	100.00%	99.69%

* Floating provision has not been considered while calculating PCR.

(k) Provisioning pertaining to Fraud Accounts

	(₹ Crore)	
	FY 2023-24	FY 2022-23
No. of frauds reported during the year	2	8
Amount involved in fraud	17.33	32.54
Amount involved in fraud net of recoveries/write offs/unrealised interest as at the end of the year	16.79	26.73
Provision made during the year	0.00	1.13
Provision held as at the end of the year for the above accounts	16.79	26.73
Amount of unamortised provision debited from "other reserves" as at the end of the year	-	-

4. Investment portfolio: constitution and operations

(a) Repo Transactions

	(₹ Crore)			
	Minimum outstanding during the year FY 2024	Maximum outstanding during the year FY 2024	Daily Average outstanding during the year FY 2024	Outstanding as on March 31, 2024
Securities sold under repo				
i. Government securities	-	23,510.00	7,494.65	18,985.00
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	-	22,746.00	961.13	500.00
ii. Corporate debt securities	-	-	-	-

	(₹ Crore)			
	Minimum outstanding during the year FY 2023	Maximum outstanding during the year FY 2023	Daily Average outstanding during the year FY 2023	Outstanding as on March 31, 2023
Securities sold under repo				
i. Government securities	-	13,673.20	2720.28	10543.96
ii. Corporate debt securities	-	-	-	-
Securities purchased under reverse repo				
i. Government securities	-	14,994.39	1,632.35	1,998.89
ii. Corporate debt securities	-	-	-	-

(b) Disclosure of Issuer Composition for Investment in Debt Securities

Issuer	Amount	Amount as on March 31, 2024			
		Investment made through private placement	Below Investment Grade Securities Held	Unrated securities held	Unlisted securities
(1)	(2)	(3)	(4)	(5)	(6)
(i) PSUs	49.56	-	-	-	-
(ii) FIs	2,861.89	2,861.89	-	189.84	189.84
(iii) Banks	3,833.19	3,833.19	-	103.50	103.50
(iv) Private Corporates	754.61	754.61	-	754.61	746.57
(v) Subsidiaries/Joint ventures	1,751.05	1,751.05	-	1,751.05	1,751.05
(vi) Others	963.52	963.52	-	963.52	963.52
(vii) Provision held towards depreciation	-708.39	-	-	-	-
Total	9,505.43	10,164.26	-	3,762.52	3,754.48

(c) Sale & transfers of securities to /from HTM category:

During the FY2024, the Bank shifted investments in Venture Capital Funds from HTM to AFS category in accordance with extant RBI guidelines. Except for the above, there was no shifting on investments to/from HTM category.

5. Details of Financial Assets purchased/ sold

(a) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(i) Details of Sales

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(i) No. of accounts	2	Nil
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC	0.00	Nil
(iii) Aggregate consideration	455.30	Nil
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v) Aggregate gain / loss over net book value	Nil	Nil

(ii) Details of Book Value of Investments in Security Receipts

Particulars	(₹ Crore)	
	Book value of investments in security receipts	
	FY 2023-24	FY 2022-23
(i) Backed by NPAs sold by the AIFI as underlying	52.71	0.27
(ii) Backed by NPAs sold by banks / other financial institutions / non-banking financial companies as underlying	-	-
Total	52.71	0.27

(b) Details of Non Performing Financial Assets Purchased / Sold

(i) Details of non performing financial assets purchased:

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
1. (a) No. of accounts purchased during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil
2. (a) Of these, number of accounts restructured during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil

(ii) Details of non performing financial assets sold:

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
1. No. of accounts sold	2	Nil
2. Aggregate outstanding	939.14	Nil
3. Aggregate consideration received	455.30	Nil

6. Operating Results

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(i) Interest income as a percentage to average working funds(%)	6.74	5.37
(ii) Non-interest income as a percentage to average working funds(%)	0.14	0.16
(iii) Operating profit as a percentage to average working funds (before provisions)(%)	1.55	1.57
(iv) Return on average assets (before provisions for taxation)(%)	1.14	1.32
(v) Net Profit per employee (₹ crore)	3.72	3.22

7. Credit Concentration risk

(a) Capital market exposure

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	585.32	320.03
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds ₹does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(ix) financing to stockbrokers for margin trading;	-	-
(x) all exposures to Venture Capital Funds (both registered and unregistered)	1,060.53	1,173.59
Total Exposure to Capital Market	1,645.85	1,493.62

(b) Exposure to Country risk

Risk Category	(₹ Crore)			
	FY 2023-24		FY 2022-23	
	Net Funded Exposure	Provision held	Net Funded Exposure	Provision held
Insignificant	17,782.87	43.80	10,902.69	26.40
Low	1,049.64	-	1,018.09	-
Moderate	30.90	-	15.90	-
High	5.96	-	5.64	-
Very High	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	18,869.37	43.80	11,942.32	26.40

(c) Prudential Exposure Limits - Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded.

(i) The number and amount of exposures in excess of the prudential exposure limits during the year.

Sl. No.	PAN Number	Borrower Name	Industry Code	Industry Name	Sector	Amount Funded	Amount Non-Funded	Exposure as % to capital Funds
1	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

ii) Credit exposure as percentage to capital funds and as percentage to total assets, in respect of :

Sr. No.	Particulars	FY 2023-24		FY 2022-23	
		As % to Total Assets	As % to Capital funds	As % to Total Assets	As % to Capital funds
1	The largest single borrower	13.93%	250.51%	14.88%	237.41%
	The largest borrower group	As large borrowers are Primary lending Institutions, the concept of borrower group is not applicable.			
2	The 20 largest single borrowers	69.75%	1254.53%	70.68%	1127.93%
	The 20 largest borrower group	As large borrowers are Primary lending Institutions the concept of borrower group is not applicable.			

iii) Credit exposure to the five largest industrial sectors as percentage to total loan assets :

(₹ Crore)

Name of Industry	FY 2023-24	
	Credit Exposure	% to total loan assets
Textile products	4179.00	0.92
Auto ancillaries	3490.00	0.77
Metal products N.E.C.	2446.00	0.54
Plastic moulded goods	2155.00	0.47
Metal products parts except machinery	1649.00	0.36

(₹ Crore)

Name of Industry	FY 2022-23	
	Credit Exposure	% to total loan assets
TEXTILE PRODUCTS	1373.15	0.39
AUTO ANCILLARIES	1303.56	0.37
METAL PRODUCTS N.E.C.	1298.56	0.36
PLASTIC MOULDED GOODS	707.12	0.20
METAL PRODUCTS PARTS EXCEPT MACHINERY	648.03	0.18

(iv) Total amount of advances for which intangible securities such as charge over the rights, licenses, authority etc. has been taken is 'Nil'.

(v) The bank had taken factoring exposure amounting ₹1424.89 crore in FY 2024 and ₹545.12 crore in FY 2023 under TReDS.

(vi) The bank had not exceeded the Prudential Exposure Limits during the current year and previous year.

(d) Concentration of borrowings /lines of credit, credit exposures and NPAs

(i) Concentration of borrowings and lines of credit

(₹ Crore)

Particulars	FY 2023-24	FY 2022-23
Total borrowings from twenty largest lenders	3,75,323.76	2,86,928.23
Percentage of borrowings from twenty largest lenders to total borrowings	78.70%	78.46%

(ii) Concentration of Exposures

Particulars	(₹ Crore)	
	FY 2023-24	FY 2022-23
Total advances to twenty largest borrowers	3,52,318.00	2,83,925.02
Percentage of advances to twenty largest borrowers to Total Advances	77.26%	79.65%
Total Exposure to twenty largest borrowers / customers	3,69,107.68	3,09,645.04
Percentage of exposures to twenty largest borrowers / customers to Total Exposure	71.33%	74.35%

(iii) Sector-wise concentration of exposures and NPAs

Sr. No.		FY 2023-24			FY 2022-23		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
I.	Industrial sector	3,92,119.53	81.21	0.02%	3,18,130.93	14.74	0.00%
1	Central Government	-	-	-	-	-	-
2	Central PSUs	-	-	-	-	-	-
3	State Governments	2,111.20	-	-	1,541.63	-	-
4	State PSUs	-	-	-	-	-	-
5	Scheduled Commercial Banks	3,62,506.42	-	-	2,97,468.25	-	-
6	Regional Rural Banks	530.12	-	-	605.00	-	-
7	Co-operative banks	64.72	-	-	100.00	-	-
8	Private sector (excluding banks)	26,907.07	81.21	0.30%	18,416.05	14.74	0.08%
II.	Micro-finance sector	8,789.94	18.61	0.21%	4,918.26	18.61	0.38%
III.	Others*	55,205.42	-	-	33,414.67	-	-
	Total (I+II+III)	4,56,114.89	99.82	0.02%	3,56,463.86	33.35	0.01%

* includes advances to NBFCs.

8. Derivatives**(a) Forward Rate Agreement / Interest Rate Swap**

Sr. No	Particulars	(₹ Crore)	
		FY 2023-24	FY 2022-23
i)	The notional principal of swap agreements	Nil	123.72
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Nil	(1.91)
iii)	Collateral required by the bank upon entering into swaps	Nil	Nil
iv)	Concentration of credit risk arising from the swaps	Nil	0.00
v)	The fair value of the swap book	Nil	(1.91)

The nature and terms of the IRS as on March 31, 2024 are set out below:

Sl. no.	Nature	Nos.	Notional Principal	Benchmark	Terms
1	Hedging	NIL	NIL	NIL	NIL

The nature and terms of the IRS as on March 31, 2023 are set out below

Sl. no.	Nature	Nos.	Notional Principal	Benchmark	Terms
1	Hedging	1	INR 123,72,29,020.00	6 M USD LIBOR	Fixed receivable V/s floating payable

(b) Exchange Traded Interest Rate Derivatives

(₹ Crore)

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

(c) Disclosures on risk exposure in derivatives

(i) Qualitative Disclosures

- The Bank uses Derivatives for hedging of interest rate and exchange risk arising out of mismatch in the assets and liabilities. All derivatives undertaken by Bank are for hedging purposes with underlying as Foreign Currency borrowings, which are not MTM, but only translated. The Bank does not undertake trading in Derivatives.
- Internal Control guidelines and accounting policies are framed and approved by the Board. The derivative structure is undertaken only after approval of the competent authority. The particulars of derivative details undertaken are also reported to ALCO/Board.
- The Bank has put systems in place for mitigating the risk arising out of derivative deals. The Bank follows the accrual method for accounting the transactions arising out of derivative deals.

(d) Disclosure on Credit default swap - Bank has not undertaken any credit default swap during the year.

(ii) Quantitative Disclosures

(₹ Crore)

Sr. No.	Particulars	FY 2023-24		FY 2022-23	
		Currency Derivatives	Interest rate Derivatives	Currency Derivatives	Interest rate Derivatives
1	Derivatives (Notional Principal Amount)	2,571.32	-	3,361.40	123.72
	(i) For hedging	2,571.32	-	3,361.40	123.72
	(ii) For trading	-	-	-	-
2	Marked to Market Positions [1]	431.60	-	535.51	(1.91)
	(i) Asset (+)	431.60	-	535.51	-
	(ii) Liability (-)	-	-	-	1.91
3	Credit Exposure [2]	544.66	-	730.12	-
4	Likely impact of one percentage change in interest rate (100* PV01)	24.44	-	1,681.43	(0.72)
	(i) On hedging derivatives	24.44	-	1,681.43	(0.72)
	(ii) On trading derivatives	-	-	-	-
5	Maximum and Minimum of 100*PV01 observed during the year				
	(i) On hedging	479.62/24.44	-	1912.87/0.56	(0.72)/(2.47)
	(ii) On trading	-	-	-	-

9. Disclosure of Letters of Comfort (LoCs) issued

The particulars of Letters of Comfort (LoCs) issued during the year, assessed financial impact, and assessed cumulative financial obligations under the LoCs issued in the past and outstanding is as under:

(₹ Crore)

LoCs outstanding as on April 01, 2023		LoC issued during the year		LoCs redeemed during the year		LoCs outstanding as on March 31, 2024	
No of LoC	Amount	No of LoC	Amount	No of LoC	Amount	No of LoC	Amount
-	-	-	-	-	-	-	-

10. Asset Liability Management

(₹ Crore)

	1 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
Deposits	76.99	40.44	495.63	11,872.74	40,440.86	1,46,694.30	3,935.01	2,828.24	2,06,384.21
Advances	6,871.41	1,596.48	34,500.10	70,603.42	77,188.75	2,43,482.65	19,390.78	2,381.51	4,56,015.10
Investments	6,216.61	5,971.86	17,640.19	20,619.02	3,072.63	893.60	1,500.00	3,110.49	59,024.40
Borrowings	21,336.08	12,250.00	77,852.82	26,885.08	56,073.23	50,431.07	25,348.64	368.57	2,70,545.49
Foreign Currency Assets	5.03	8.45	1,453.75	73.32	1,482.21	490.20	303.82	0.92	3,817.70
Foreign Currency Liabilities	1.06	7.47	1,099.64	66.81	408.60	880.64	602.93	259.50	3,326.65

11. Draw Down from Reserves

There is no draw down from Reserves during the current year and previous year.

12. Business Ratios

Particulars	FY 2023-24	FY 2022-23
Return on average Equity (before provisions for taxation)(%)	17.96	16.98
Return on average assets (before provisions for taxation)(%)	1.14	1.32
Net Profit per employee (₹ crore)	3.72	3.22

13. Disclosure of Penalties imposed by RBI

RBI had not imposed any penalty on the Bank during the current year and previous year.

14. Customer Complaints

1. Complaints received by the bank from its customers

Particulars	FY 2023-24	FY 2022-23
1 No. of complaints pending at the beginning of the year	1	1
2 No. of complaints received during the year	163	230
3 No. of complaints disposed during the year	161	230
3(i) Of which, number of complaints rejected by the Bank	48	83
4 No. of complaints pending at the end of the year	3	1

2. Top five grounds of complaints received by the bank 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
FY 2024					
Loans and advances	-	30	(14.29)	-	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	22	(37.14)	-	-
Other	1	46	(13.21)	-	-
FY2023					
Loans and advances	-	35	(18.60)	-	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	35	34.62	-	-
Other	1	53	(67.88)	1	-

RBI vide their Circular CEPD.CO.PR.D.Cir.No.01/13.01.013/2020-21 dated 27.01.2021 on Strengthening of Grievance Redress Mechanism in Banks had categorized grievances under 16 categories and had advised Banks to make disclosures accordingly.

15. Off-Balance Sheet SPVs Sponsored

The Bank had no Off-balance sheet SPVs sponsored during the current year and previous year.

16. Disclosure as per specific accounting standards

(a) Accounting Standard 5 – Net Profit or Loss for the period, prior period items and changes in accounting policies

Income in schedule XIII - 'other income' includes Prior Period Income of ₹49,48,292 for FY 2023-24 [Previous Year ₹10,08,72,058] and Other expenditure in schedule XIV - 'Operating Expenses' for FY 2023-24 includes Prior Period Expenditure of ₹3,55,13,145 [Previous Year ₹1,22,71,798].

(b) Accounting Standard 17 – Segment Reporting

As required under RBI master directions and Accounting Standard-17 'Segment Reporting' the Bank has disclosed "Business segment" as the Primary Segment. Since the Bank operates in India, there are no reportable geographical segments. Under Business Segment, the Bank has identified Whole Sale Operations (Direct Lending), Whole Sale Operations (Refinance) and Treasury as its three reporting segments. These segments have been identified after considering the nature and risk profile of the products and services, the organization structure and the internal reporting system of the Bank. Previous year's figures have been regrouped and reclassified to conform to the current year's methodology.

Part A: BUSINESS SEGMENTS

(₹ Crore)

Business Segments	Wholesale Operations (Direct Lending)		Wholesale Operations (Refinance)		Treasury		Total	
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
1 Segment Revenue	2,314.39	1,554.09	25,392.62	14,088.67	4,235.10	2,842.05	31,942.11	18,484.81
Exceptional Items							-	-
Total							31,942.11	18,484.81
2 Segment Results	82.83	379.02	4,410.32	3,109.40	1,837.06	1,238.47	6,330.21	4,725.89
Exceptional Items							(500.00)	-
Total							5,830.21	4,725.89
Unallocable Expenses							540.17	328.41
Operating profit							5,290.04	4,397.48
Income Tax (Net of write back)							1,263.74	1,053.91
Net profit after Tax							4,026.30	3,343.57

(₹ Crore)

Business Segments	Wholesale Operations (Direct Lending)		Wholesale Operations (Refinance)		Treasury		Total	
	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
Other information								
3 Segment Assets	29,089.78	20,055.91	4,29,333.11	3,37,995.11	60,374.84	41,111.89	5,18,797.73	3,99,162.91
Unallocated Assets							3,724.24	3,219.82
Total Assets							5,22,521.97	4,02,382.73
Segment Liabilities	24,107.47	15,883.66	4,04,860.85	3,16,857.75	58,030.68	39,112.64	4,86,999.00	3,71,854.05
Unallocated Liabilities							4,122.85	3,025.62
Total							4,91,121.85	3,74,879.67
Capital / Reserves	4,815.95	4,155.25	23,885.78	21,028.09	2,697.39	2,319.03	31,399.12	27,502.37
Total							31,399.12	27,502.37
Total Liabilities							5,22,521.97	4,02,382.73

Part B: GEOGRAPHIC SEGMENTS - The operations of the Bank is confined to India only, hence no reportable geographic segments.

(c) Accounting Standard 18 – Related Party Disclosures

(i) Details of Related Parties

Name of the entity	Nature of Relationship
SIDBI Venture Capital Ltd	Subsidiary
SIDBI Trustee Company Ltd	Subsidiary
Micro Units Development & Refinance Agency Ltd	Subsidiary
India SME Technology Services Limited	Associate
Acuite Ratings Pvt Ltd	Associate
Receivables Exchange of India Limited	Associate
India SME Asset Reconstruction Company Limited	Associate
KITCO LIMITED	Associate

(ii) Key management personnel

Shri Sivasubramanian Ramann	Chairman & Managing Director
Shri Sudatta Mandal	Deputy Managing Director
Shri Prakash Kumar	Deputy Managing Director

(iii) Significant transactions with related parties

(₹ Crore)

Items / Related Party	Sub-sidiaries	Associates/ Joint ventures	Key Management Personnel @	Relatives of Key Management Personnel	Total
Borrowings#	-	-	-	-	-
Outstanding at the year end	-	-	-	-	-
Maximum during the year	-	-	-	-	-
Deposit#	-	-	-	-	-
Outstanding at the year end	-	28.36	-	-	28.36
Maximum during the year	-	28.36	-	-	28.36
Placement of deposits#	-	-	-	-	-
Outstanding at the year end	-	-	-	-	-
Maximum during the year	-	-	-	-	-
Advances#	-	-	-	-	-
Outstanding at the year end	-	-	-	-	-
Maximum during the year	-	-	-	-	-

(₹ Crore)

Items / Related Party	Sub-sidiaries	Associates/ Joint ventures	Key Management Personnel @	Relatives of Key Management Personnel	Total
Investments#	-	-	-	-	-
Outstanding at the year end	1,751.05	36.10	-	-	1,787.15
Maximum during the year	1,751.05	36.10	-	-	1,787.15
Non funded commitments#	-	-	-	-	-
Outstanding at the year end	-	-	-	-	-
Maximum during the year	-	-	-	-	-
Leasing arrangements availed#	-	-	-	-	-
Outstanding at the year end	-	-	-	-	-
Maximum during the year	-	-	-	-	-
Leasing arrangements provided#	-	-	-	-	-
Outstanding at the year end	-	-	-	-	-
Maximum during the year	-	-	-	-	-
Purchase of fixed assets	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-
Interest paid	-	1.32	-	-	1.32
Interest received	-	-	-	-	-
Dividend received	33.52	0.61	-	-	34.13
Dividend paid	-	-	-	-	-
Rendering of services*	10.46	1.71	-	-	12.17
Receiving of services*	-	2.04	-	-	2.04
Management contracts**	-	-	1.32	-	1.32

@Whole time directors of the Board

The outstanding at the year end and the maximum during the year are to be disclosed

* Contract services etc. and not services like remittance facilities, locker facilities etc.

** Remuneration to Key Management Personnel.

17. Unamortised Pension and Gratuity Liabilities

The pension and gratuity liability are provided for on the basis of an actuarial valuation made at the end of each financial year based on the projected unit credit method. The actuarial gains/ losses are taken to the profit & loss account and are not amortized.

As per our report of even date

For **J. Kala & Associates**
Chartered Accountants
FRN.118769W

Jayesh Kala
Partner
M.No. 101686

Ajit Nath Jha
Chief Financial Officer

G Gopalakrishna
Director

BY ORDER OF THE BOARD

Prakash Kumar
Deputy Managing Director

K S Nagnyal
Director

Sudatta Mandal
Deputy Managing Director

Place: Mumbai
Date: May 29, 2024

Standalone Cash Flow Statement

for the year ended March 31, 2024

(₹ Crore)

March 31, 2023	Particulars	March 31, 2024	March 31, 2024
	1. Cash Flow from Operating Activities		
43,97,48,24,372	Net Profit before tax as per P & L Account		52,90,03,57,600
	Adjustments for :		
26,23,28,294	Depreciation	61,19,85,624	
26,05,29,926	Provision for net depreciation in investments	(5,02,33,594)	
9,19,41,00,782	Provisions made (net of write back)	21,94,83,07,591	
(44,63,03,402)	Profit on sale of investments (net)	(86,65,00,642)	
(1,33,74,835)	Profit on sale of fixed assets	(35,10,094)	
(32,37,39,322)	Income Received on Investments	(44,40,80,907)	21,19,59,67,978
52,90,83,65,815	Cash generated from operations		74,09,63,25,578
	(Prior to changes in operating Assets and Liabilities)		
	Adjustments for net changes in :		
(12,79,59,67,735)	Current assets	(14,45,33,49,720)	
16,38,89,72,497	Current liabilities	32,21,40,51,206	
(5,17,69,19,134)	Bills of Exchange	(8,82,05,13,503)	
(15,36,08,86,06,820)	Loans & Advances	(9,87,68,98,47,680)	
12,49,45,48,36,350	Net Proceeds of Bonds and Debentures & other borrowings	6,98,87,56,36,090	
2,41,57,71,89,722	Deposits received	4,13,48,06,25,970	
(46,64,04,95,120)			1,33,60,66,02,363
6,26,78,70,695			2,07,70,29,27,941
(12,60,92,47,571)	Payment of Tax	(18,69,81,10,436)	(18,69,81,10,436)
(6,34,13,76,876)	Net Cash flow from operating Activities		1,89,00,48,17,505
	2. Cash Flow from Investing Activities		
(28,16,59,013)	Net (Purchase)/Sale of fixed assets	(50,64,13,769)	
8,41,52,41,728	Net (Purchase)/sale/redemption of Investments	(1,78,05,14,54,078)	
32,37,39,323	Income Received on Investments	44,40,80,908	
8,45,73,22,038	Net cash used in Investing Activities		(1,78,11,37,86,939)
	3. Cash flow from Financing Activities		
-	Proceeds from issuance of share capital & share premium	-	
(79,81,84,026)	Dividend on Equity Shares & tax on Dividend	(1,13,70,82,338)	
(79,81,84,026)	Net cash used in Financing Activities		(1,13,70,82,338)
1,31,77,61,136	4. Net increase/(decrease) in cash and cash equivalents		9,75,39,48,228
25,06,42,84,308	5. Cash and Cash Equivalents at the beginning of the period		26,38,20,45,444
26,38,20,45,444	6. Cash and Cash Equivalents at the end of the period		36,13,59,93,672

Standalone Cash Flow Statement

for the year ended March 31, 2024

		(₹ Crore)	
March 31, 2023	Particulars	March 31, 2024	March 31, 2024
	7 Cash and cash equivalents at the end of the period includes		
6,02,342	Cash in Hand		5,93,895
6,30,72,99,170	Current account balance with Bank		1,95,70,88,075
-	Mutual Funds		0
20,07,41,43,932	Deposits		34,17,83,11,702

Note : Cash Flow statement has been prepared as per the Indirect Method prescribed in AS-3 (Revised) 'Cash Flow Statement' issued by the Institute of Chartered Accountants of India (ICAI)

Significant Accounting Policies XV

Notes to Accounts XVI

As per our report of even date

For J. Kala & Associates
Chartered Accountants
FRN.118769W

Jayesh Kala
Partner
M.No. 101686

BY ORDER OF THE BOARD

Ajit Nath Jha
Chief Financial Officer

G Gopalakrishna
Director

Prakash Kumar
Deputy Managing Director

K S Nagnyal
Director

Sudatta Mandal
Deputy Managing Director

Place: Mumbai
Date: May 29, 2024