

**INDEPENDENT AUDITOR'S REPORT**

To the members of **SBI Funds Management Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of SBI Funds Management Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Company's Annual Report but does not include the Standalone Financial Statements and our audit report thereon. The Company's Annual Report is expected to be made available to us after the date of this audit report.



Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above 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.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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



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

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

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



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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on 31st March 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2024 from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B** wherein we have expressed an unmodified opinion;



- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. (Refer Note 27 to the Standalone Financial Statements);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    3. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused



us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (1) and (2) above, contain any material mis-statement.

- v. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Companies Act, 2013.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
3. As required by Section 143 (5) of the Act, with respect to reporting under the directions issued by the Comptroller and Auditor-General of India, we report that:

Sr. No.	Directions issued by the Comptroller and Auditor-General of India	Auditor's Comment
a)	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The Company has a system in place to process all the accounting transactions through IT system. As such, we have not come across any accounting transactions processed outside IT system which would have an impact on the integrity of the accounts or any financial implications.
b)	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (in case, lender is a Government Company, then its direction is also applicable for statutory auditor of lender Company).	Based on our examination of relevant records of the Company and the information and explanations received from the Management, there were no borrowings made by the Company and hence this clause is not applicable for the year 2023-24.



Sr. No.	Directions issued by the Comptroller and Auditor-General of India	Auditor's Comment
c)	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from central/ state government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Based on our examination of relevant records of the Company and the information and explanations received from the Management, there are no funds received/receivable from Central/State agencies and hence this clause is not applicable for the year 2023-24.
<b>Additional Company Specific Directions u/s 143 (5) issued by the Comptroller and Auditor General of India</b>		
a)	Whether the investible funds received by the company were invested in accordance with the directions of the applicable Statutory Regulators (regulations and rules framed thereunder)	There are no regulatory directions to the Company for investing its own funds. The Company has been appointed as the Asset Management Company (investment manager) of the SBI Mutual Fund by the Trustee Company. The Company is investing its surplus funds in compliance with the Investment policy approved by the Board and relevant sections of the Companies Act, 2013.
b)	Whether the funds invested under the schemes/products by the company are in compliance with the Investment Committee, Risk Committee constituted by the Board, Investment Manual etc. which prescribes the process/procedure, threshold, exposure limits, quality of security etc.	The Company manages the funds and makes investment decisions for the SBI Mutual Fund schemes in accordance with the scheme objectives, Trust Deed, provisions of Investment Management Agreement and SEBI Regulations & Guidelines after duly approval of the scheme by the SEBI. The Company is not the owner of the underlying assets/securities of Schemes. Rather, it is the respective schemes which are holding the securities of unit holders under Mutual Fund. Since the financial statements of respective schemes are prepared separately and approved by the Board and audited by a separate auditor appointed by Trust, the undersigned statutory auditor does not have any jurisdiction to audit whether the funds



Sr. No.	Directions issued by the Comptroller and Auditor-General of India	Auditor's Comment
		invested under the scheme/products are in compliance with the Investment Committee, Risk Committee constituted by the Board, Investment Manual.

For Borkar & Muzumdar  
Chartered Accountants  
Firm Registration No: 101569W



Devang Vaghani  
Partner  
Membership No: 109386  
UDIN: 24109386BKBZIR9622



Place: Mumbai  
Date: 25th April 2024

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of SBI Funds Management Limited ("the Company") on the Standalone Financial Statements as of and for the year ended 31<sup>st</sup> March 2024]

- (i) In respect of the Company's Property Plant and Equipment ("PPE") and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the PPE;  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) As per information and explanations given to us, physical verification of PPE has been carried out by the Management during the year in accordance with the phased programme of verification of all assets over three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable property is held in the name of the Company;
- (d) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued its PPE or Intangible asset during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) Since the Company is a service provider, clause 3(ii)(a) of the Order pertaining to physical verification of inventory is not applicable to the Company;
- (b) Clause 3(ii)(b) pertaining to sanctioning of working capital loan on the basis of security of current assets is not applicable to the Company since it has not borrowed any loan in the form of working capital from banks or financial institutions during the year.
- (iii) The Company has not made investments in, and not provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. The Company has granted unsecured loan to one party during the year.



(a) The Details of Loan granted during the year are given below:

(Rs. In Lakh)

Particular	Guarantee	Security	Loans	Advance in the nature of Loan
Aggregate Amount During the year				
- Others	-	-	67.80	-
Balance outstanding at the balance sheet date				
- Others	-	-	4,223.80	-

(b) The Loan granted are not, prima facie, prejudicial to the Company's interest.

(c) In respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. No portion of the loan is due for repayment during the current year.

(d) There is no amount which is overdue for more than 90 days in respect of loan granted to such party.

(e) No loan amount is fallen due during the current year. Further, no fresh loan was granted to such party to settle the overdue loans.

(f) The Company has not granted any loans, which is repayable on demand or without specifying the terms or period of repayment.

(iv) The Company has not given any loans, guarantees or securities in respect of provisions of sections 185 and 186 of Companies Act, 2013. Further, in respect of investments made, the Company has complied with the provisions of section 186 of the Companies Act, 2013;

(v) In our opinion the Company has not accepted deposits or the amounts which are deemed to be deposits, within the meaning of sections 73 to 76 of the Act or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Hence clause 3 (v) of the order is not applicable to the Company;

(vi) The Central Government of India has not specified the maintenance of Cost records under section 148(1) of Companies Act, 2013 for any of the services rendered by the Company;



(vii)

- (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues, including provident fund, income-tax, service tax, cess, Goods and Service Tax and other statutory dues applicable to the Company with appropriate authorities;

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, service tax, cess, Goods and Service Tax and any other material statutory dues applicable to the Company, were outstanding as on the last day of the financial year, for a period of more than six months from the date they became payable;

- (b) According to the information and explanations given to us, there are no dues outstanding in respect of income tax or service tax or Goods & service tax which has not been deposited on account of any dispute except the following:

Sr. No	Name of the Statute	Nature of Dues	Forum Where Dispute is pending	Amount (Rs. In Lakh)	Period block to which it relates
1	Maharashtra GST Act, 2017	Excess Input tax Credit claimed in GSTR 3B as compared GSTR 2A	Commissioner Appeals	0.68	FY 2017-18
2	Bihar GST Act, 2017	Ineligible Input tax Credit	Commissioner Appeals	2.20	FY 2017-18

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (ix) (a) to (f) of the order is not applicable to the Company;

(x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans or Private placement or preferential allotment and hence reporting under clause 3 (x) (a) to (b) of the Order is not applicable to the Company;



(xi) (a) Based on the information and explanations given to us by the management, no material frauds in the company or on the company have been noticed or reported. However, there are two frauds reported. In one case where we have been informed that one employee of the company had allegedly misappropriated funds of some investors amounting to Rs. 49.56 Lakh during the year under audit. We are informed that the complainants' money has been returned by the aforesaid employee. In another case, one employee of Mutual Fund Distributor fraudulently transferred the investors' mutual fund units amounting to Rs. 4.42 Lakh to his account and subsequently redeemed these units. The entire amount is recovered and the units of original investors have been reinstated.

(b) No report under sub section (12) of section 143 of the Companies Act, 2013 is required to be filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on our enquiries and according to the information and explanation given by the management, we have been informed that no whistle blower complaints has been received during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii)(a) to (c) of the Order is not applicable to the Company;

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable, and details of such transactions have been disclosed in the Standalone Financial Statements, as required by the applicable Ind-AS;

(xiv) (a) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business.

(b) The reports of the Internal auditor for the year under audit have been considered by us during the audit.

(xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered during the year into any non-cash transactions with its directors or persons connected with them and hence reporting under clause 3 (xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. The Company has not conducted any Non-Banking Financial or Housing Finance



activities during the year and the Company is not a Core Investment Company (CIC) and hence reporting under clause 3 (xvi) b, c and d are not applicable.

(xvii) According to the information and explanation given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditor during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and based on our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) (a) According to the information and explanations given to us and based on our examination of the records of the Company, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects as on 31st March 2024. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) The amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

(xxi) Since this is report on the standalone Financial Statements of the Company, reporting under clause 3 (xxi) is not applicable.

For Borkar & Muzumdar  
Chartered Accountants  
Firm Registration No: 101569W



Devang Vaghani  
Partner  
Membership No: 109386  
UDIN: 24109386BKBZIR9622



Place: Mumbai  
Date: 25th April 2024

## **ANNEXURE B TO INDEPENDENT AUDITORS' REPORT**

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of SBI Funds Management Limited of even date]

### **Report on the Internal Financial Controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section (3) of Section 143 of the Companies Act, 2013 ("The Act")**

We have audited the internal financial controls with reference to the standalone financial statements of SBI Funds Management Limited ("the Company") as of 31st March 2024 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements were established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

### **Meaning of Internal Financial Controls with reference to Standalone Financial Statements**

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference

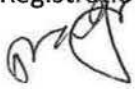


to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the Standalone Financial Statements, and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March 2024, based on the internal financial controls criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by ICAI.

For Borkar & Muzumdar  
Chartered Accountants  
Firm Registration No: 101569W



Devang Vaghani  
Partner

Membership No: 109386  
UDIN: 24109386BKBZIR9622



Place: Mumbai  
Date: 25th April 2024

**SBI FUNDS MANAGEMENT LIMITED**  
Balance Sheet


(₹ In Lakhs)

Particulars	Note No.	As at 31 Mar 2024	As at 31 Mar 2023
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash & Cash equivalents	2	215.54	31.64
(b) Bank Balance other than (a) above	3	5,471.69	2,908.10
(c) Receivables			
(i) Trade Receivables	4	10,697.72	5,600.34
(d) Loans	5	4,523.71	4,194.36
(e) Investments	6	6,60,891.32	4,58,510.32
(f) Other Financial Assets	7	809.07	843.17
<b>Sub-total - Financial Assets</b>		<b>6,82,609.05</b>	<b>4,72,087.93</b>
<b>(2) Non Financial Assets</b>			
(a) Current Tax Assets (Net)		104.67	2,196.59
(b) Property, Plant and Equipment	9	25,100.12	22,728.61
(c) Intangible Assets under Development	10	-	187.90
(d) Other Intangible Assets	11	593.06	420.11
(e) Other Non- Financial Assets	12	2,906.57	2,291.40
<b>Sub-total - Non - Financial Assets</b>		<b>28,704.42</b>	<b>27,824.61</b>
<b>Total Assets</b>		<b>7,11,313.47</b>	<b>4,99,912.54</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>(1) Financial Liabilities</b>			
(a) Payables			
(i) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13	54.29	4.83
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1,788.97	1,352.73
(b) Other Financial Liabilities	14	12,949.02	8,873.75
<b>Sub-total - Financial Liabilities</b>		<b>14,792.28</b>	<b>10,231.31</b>
<b>(2) Non Financial Liabilities</b>			
(a) Provisions	15	13,019.80	11,045.72
(b) Deferred Tax Liabilities (Net)	8	7,257.93	1,020.38
(c) Other Non-Financial Liabilities	16	552.97	769.28
<b>Sub-total - Non Financial Liabilities</b>		<b>20,830.70</b>	<b>12,835.38</b>
<b>Equity</b>			
(a) Equity Share Capital	17	5,063.40	5,037.24
(b) Other Equity	18	6,70,627.09	4,71,808.61
<b>Sub-total - Equity</b>		<b>6,75,690.49</b>	<b>4,76,845.85</b>
<b>Total Liabilities and Equity</b>		<b>7,11,313.47</b>	<b>4,99,912.54</b>

Summary of Material Accounting Policies 1  
Other Notes to the Financial Statements 2-49  
The accompanying notes form an integral part of the financial statements.

As per our report of even date

**For Borkar & Muzumdar**  
Chartered Accountants  
Firm Registration No: 101569W

  
**Devang Vaghani**  
Partner  
Membership No: 109386

**For and on behalf of the Board of Directors of**  
SBI Funds Management Limited

  
**Dinesh Kumar Khara**  
Chairman  
DIN 6737041

  
**Shamsheer Singh**  
Managing Director & CEO  
DIN 09787674

  
**DENYS CHARLES JEAN MARIE**  
**FOUGEROUX DE C**  
(Denys De Campigneulles)  
Director  
DIN 08716335

  
**Vinaya Datar**  
Chief Compliance Officer &  
Company Secretary  
M. No 15527

  
**Inderjeet Ghuliani**  
Chief Financial Officer



Place: Mumbai  
Date : 25 April 2024

Date : 25 April 2024<sup>65</sup>

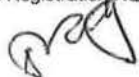
**SBI FUNDS MANAGEMENT LIMITED**  
Statement of Profit and Loss

(₹ In Lakhs)

Particulars	Note No.	For the Year Ended 31 Mar 2024	For the Year Ended 31 Mar 2023
<b>Revenue from Operations</b>			
(i) Asset management fees	19	2,68,278.45	2,15,557.29
(ii) Net gain on fair value changes	20	58,262.39	14,169.72
<b>I Total revenue from operations</b>		<b>3,26,540.84</b>	<b>2,29,727.01</b>
<b>II Other Income</b>	21	15,975.71	11,459.06
<b>III. Total Income ( I+II )</b>		<b>3,42,516.55</b>	<b>2,41,186.07</b>
<b>Expenses</b>			
(i) Finance cost	40	771.06	525.46
(ii) Scheme expenses		4,666.13	2,801.43
(iii) Employee benefits expenses	22	36,838.76	32,614.17
(iv) Depreciation and amortization expense	9, 11	3,699.63	3,383.65
(v) Other expenses	23	28,937.85	24,572.34
<b>IV. Total expenses</b>		<b>74,913.43</b>	<b>63,897.05</b>
<b>V. Profit / (Loss) before exceptional items and tax ( III-IV )</b>		2,67,603.12	1,77,289.02
<b>VI. Exceptional Items</b>		-	-
<b>VII. Profit/(loss) before tax ( V-VI )</b>		2,67,603.12	1,77,289.02
<b>VIII. Tax Expense:</b>			
- Current Tax	24	55,050.00	43,850.00
- Deferred Tax	25	6,257.95	319.41
<b>IX. Profit / (loss) for the period ( VII-VIII )</b>		<b>2,06,295.17</b>	<b>1,33,119.61</b>
<b>X. Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss :			
i) Remeasurements of the defined benefit plans		(81.05)	(3.38)
ii) Deferred tax on above		20.40	0.85
iii) Foreign currency translation		0.85	-
<b>XI. Total Comprehensive Income for the period ( IX+X )</b>		<b>2,06,235.37</b>	<b>1,33,117.08</b>
<b>XII. Earnings per equity share ( Face value of ₹ 1 each)</b>	26		
Basic (₹)		40.90	26.45
Diluted (₹)		40.70	26.33
Summary of Material Accounting Policies	1		
Other Notes to the Financial Statements	2-49		
The accompanying notes form an integral part of the financial statements.			

As per our report of even date

**For Borkar & Muzumdar**  
Chartered Accountants  
Firm Registration No. 101569W



**Devang Vaghani**  
Partner  
Membership No: 109386



Place: Mumbai  
Date : 25 April 2024

**For and on behalf of the Board of Directors of**  
SBI Funds Management Limited



**Dinesh Kumar Khara**  
Chairman  
DIN 6737041



**Shamsheer Singh**  
Managing Director & CEO  
DIN 09787674



**DENYS CHARLES JEAN MARIE**  
**FOUGEROUX DE C**  
(Denys De Campigneulles)  
Director  
DIN 08716335



**Vinaya Datar**  
Chief Compliance Officer  
& Company Secretary  
M. No 15527



**Inderjeet Ghuliani**  
Chief Financial Officer



Date : 25 April 2024

Particulars	For the Year Ended 31 Mar 2024	For the Year Ended 31 Mar 2023
<b>Cash Flow from Operating Activities</b>		
Net profit Before Tax	2,67,603.12	1,77,289.02
<b>Adjustments for:</b>		
Depreciation and Amortization	3,699.63	3,383.65
Finance cost	771.06	525.46
Employee Stock Option Expenses	2,787.81	2,897.49
(Profit) / Loss on sale of Property, Plant, Equipment (Net)	(13.31)	(9.72)
Exchange Fluctuations	0.85	-
Fair valuations of Investment (Net)	(53,877.87)	(6,018.26)
Gain on sale/redemption of investments	(4,384.52)	(8,151.46)
Interest income on investments	(14,432.48)	(9,727.17)
Distribution income from AIF	(244.22)	(219.96)
Interest on loan	(299.85)	(6.54)
Dividend from Mutual Fund	27.09	-
Other Interest income	(0.87)	(1.37)
Dividend from Subsidiary	(415.33)	(547.96)
Dividend income	(1.61)	(1.61)
<b>Operating profit before working capital changes</b>	<b>2,01,219.50</b>	<b>1,59,411.57</b>
Decrease / (Increase) in Other Bank Balance	(2,563.59)	(36.11)
Decrease / (Increase) in Trade Receivables	(5,097.38)	(957.49)
Decrease / (Increase) in Other Financial Assets	34.80	4,885.51
Decrease / (Increase) in Other Non Financial Assets	(615.17)	(897.28)
(Decrease) / Increase in Trade Payables	485.70	(138.81)
(Decrease) / Increase in Other Financial Liabilities	1,305.95	(246.41)
(Decrease) / Increase in Provisions	1,893.03	797.94
(Decrease) / Increase in Other Non- Financial Liabilities	(216.31)	314.69
<b>Net Cash Generated from Operations</b>	<b>1,96,446.53</b>	<b>1,63,133.61</b>
Income taxes paid net of refund ,if any	(52,958.08)	(43,671.97)
<b>Net cash generated from Operating Activities (A)</b>	<b>1,43,488.45</b>	<b>1,19,461.64</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Intangible assets	(231.37)	(263.21)
Purchase of Tangible assets	(852.93)	(901.85)
Purchase of Investments	(3,15,328.30)	(4,24,005.49)
Proceeds from Sale of Investments	1,73,816.65	3,21,234.30
Loan to Staff and Employee Welfare Trust (Including Interest Accrued)	(29.50)	(4,129.13)
Other Interest Income	0.87	1.37
Dividend received on investments	0.91	1.61
Dividend from subsidiary	415.33	547.96
Income from AIF	244.22	219.96
Interest income on investments	11,798.43	6,353.75
<b>Net Cash used in Investing Activities (B)</b>	<b>(1,30,165.69)</b>	<b>(1,00,940.73)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from issuance of share capital	10,075.05	1,365.12
Principal element of lease payments	(2,189.26)	(1,870.43)
Interest element of lease payments	(771.06)	(525.46)
Interim Dividend paid	(20,253.59)	(17,630.33)
Final Dividend paid	-	-
<b>Net Cash used in Financing Activities (C)</b>	<b>(13,138.86)</b>	<b>(18,661.10)</b>
<b>Net Increase in Cash and Cash Equivalents (A + B + C)</b>	<b>183.90</b>	<b>(140.19)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>31.64</b>	<b>171.84</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>215.54</b>	<b>31.64</b>
<b>Cash and Cash Equivalent comprising of :</b>		
Cash	0.28	0.41
Balance with Banks in current accounts	215.26	31.23
<b>Total</b>	<b>215.54</b>	<b>31.64</b>

Note : The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows' and previous year figures have been regrouped.

Summary of Material Accounting Policies  
Other Notes to the Financial Statements

1  
2-49

As per our report of even date

For Borkar & Muzumdar  
Chartered Accountants  
Firm Registration No: 101569W

For and on behalf of the Board of Directors of  
SBI Funds Management Limited

Devang Vaghani  
Partner  
Membership No: 109386

Dinesh Kumar Khara  
Chairman  
DIN 6737041

Shamsher Singh  
Managing Director & CEO  
DIN 09787674



DENYS CHARLES JEAN MARIE  
FOUGEROUX DE C  
(Denys De Campigneulles)  
Director  
DIN 08716335

Vinaya Datar  
Chief Compliance Officer &  
Company Secretary  
M. No 15527



Inderjeet Ghuliani  
Chief Financial Officer

SBI FUNDS MANAGEMENT LIMITED  
Statement of Changes in Equity

a. Equity Share Capital:

Particulars	(₹ In Lakhs)		
	Balance at the beginning of the year	Changes in Equity Share Capital during the year	Balance at the end of the year *
Equity Shares of ₹ 1 each, fully paid up ( Previous Year ₹ 1 each, fully paid up)			
As at 31 March, 2024	5,037.24	26.16	5,063.40
As at 31 March, 2023	5,033.05	4.19	5,037.24

(\*5,17,174 (PY 5,09,606) shares held by SBI Funds Management Limited – Employee Welfare Trust ("EWT"). Refer Note No. 28 for details on EWT)

b. Other Equity

Particulars	Reserves and Surplus					OCI*	Foreign currency translation reserve	Total Other Equity
	Share Application Money	Securities Premium	General Reserve	Shares Option Outstanding Account	Retained Earnings			
Opening balance as at 01 April, 2023	-	10,216.32	12,260.09	5,834.22	4,43,947.94	(449.96)	-	4,71,808.61
Profit for the year	-	-	-	-	2,06,295.17	-	-	2,06,295.17
Other Comprehensive Income - Remeasurement gain/(loss) of the defined benefit plans (net of tax)	-	-	-	-	-	(60.65)	-	(60.65)
Foreign currency translation during the year	-	-	-	-	-	-	0.85	0.85
<b>Total Comprehensive Income for the year</b>	-	-	-	-	2,06,295.17	(60.65)	0.85	2,06,235.37
Transfer to/from retained earnings	-	-	500.00	-	(500.00)	-	-	-
Other Additions/Deductions during the year	-	-	-	2,787.81	-	-	-	2,787.81
Interim Dividend for FY 2023-24	-	-	-	-	(20,253.59)	-	-	(20,253.59)
Additions During the year (towards options exercised)	10,075.05	10,048.89	-	-	-	-	-	20,123.94
Utilised during the year (on account of allotment of shares under ESOP)	(10,075.05)	-	-	-	-	-	-	(10,075.05)
Transfer from Share Options Outstanding Account to Securities Premium (lowards options exercised)	-	2,774.47	-	(2,774.47)	-	-	-	-
Transfer from Share Options Outstanding Account to Retained Earnings (towards vested options cancelled)	-	-	-	(48.49)	48.49	-	-	-
<b>Changes during the year</b>	-	12,823.36	500.00	(35.15)	(20,705.10)	-	-	(7,416.89)
<b>Closing Balance as at 31 March, 2024</b>	-	23,039.68	12,760.09	5,799.07	6,29,538.01	(510.61)	0.85	6,70,627.09
Opening balance as at 01 April, 2022	-	8,492.47	11,760.09	3,314.84	3,28,943.47	(447.43)	-	3,52,063.44
Profit for the year	-	-	-	-	1,33,119.61	-	-	1,33,119.61
Other Comprehensive Income - Remeasurement gain/(loss) of the defined benefit plans (net of tax)	-	-	-	-	-	(2.53)	-	(2.53)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	1,33,119.61	(2.53)	-	1,33,117.08
Transfer to/from retained earnings	-	-	500.00	-	(500.00)	-	-	-
Other Additions/Deductions during the year	-	-	-	2,897.49	-	-	-	2,897.49
Interim Dividend for FY 2022-23	-	-	-	-	(17,630.33)	-	-	(17,630.33)
Additions During the year (towards options exercised)	1,365.12	1,360.93	-	-	-	-	-	2,726.05
Utilised during the year (on account of allotment of shares under ESOP)	(1,365.12)	-	-	-	-	-	-	(1,365.12)
Transfer from Share Options Outstanding Account to Securities Premium (towards options exercised)	-	362.92	-	(362.92)	-	-	-	-
Transfer from Share Options Outstanding Account to Retained Earnings (towards vested options cancelled)	-	-	-	(15.19)	15.19	-	-	-
<b>Changes during the year</b>	-	1,723.85	500.00	2,519.38	(18,115.14)	-	-	(13,371.91)
<b>Closing Balance as at 31 March, 2023</b>	-	10,216.32	12,260.09	5,834.22	4,43,947.94	(449.96)	-	4,71,808.61

(\* Other Comprehensive Income)

Summary of Material Accounting Policies  
Other Notes to the Financial Statements

1  
2-49

As per our report of even date

For Borkar & Muzumdar  
Chartered Accountants  
Firm Registration No. 101569W

Devang Vaghani  
Partner  
Membership No. 109386

For and on behalf of the Board of Directors of  
SBI Funds Management Limited

Dinesh Kumar Khara  
Chairman  
DIN 6737041

Shamsher Singh  
Managing Director & CEO  
DIN 09787674

Denys Charles Jean Marie  
FOUGEROUX DE C  
(Denys De Campigneulles)  
Director  
DIN 08716335

Vinaya Datar  
Chief Compliance Officer & Company Secretary  
M. No 15527

Inderjeet Ghofiani  
Chief Financial Officer

Place: Mumbai  
Date : 25 April 2024

Date : 25 April 2024



## **Material Accounting Policies: SBI Funds Management Limited – Standalone**

### **Company Overview**

SBI Funds Management Limited ('SBIFML/ the Company') was incorporated on 7th February 1992 under provisions of the Companies Act, 1956 (Act). The Company is a joint venture between SBI and AMUNDI.

The Company was granted approval by Securities and Exchange Board of India (SEBI) under SEBI (Mutual Funds) Regulations, 1993, subsequently replaced by SEBI (Mutual Funds) Regulations, 1996, to act as the Investment Manager of SBI Mutual Fund ('the Fund'). The Company manages the Investment Portfolios of the scheme(s) launched by the Fund and provides various administrative services to the Fund as laid down in the Restated and Amended Investment Management Agreement dated March 12, 2024. The Company has a wholly owned foreign subsidiary namely SBI Funds Management (International) Private Limited, which is based at Mauritius and manages Off-shore Funds.

The Company is also registered with SEBI under the SEBI (Portfolio Managers) Regulations, 1993 subsequently replaced by SEBI (Portfolio Managers) Regulations, 2020 and provides Portfolio Management Services (PMS) to domestic and international clients.

The Company also offers alternate asset investment products through Alternative Investment Funds (AIF). The Company is acting as Investment Manager of SBI Alternative Equity Fund & SBI Alternative Debt Fund which is registered with SEBI as a category III & category II AIF respectively under SEBI (Alternative Investment Funds) Regulations, 2012. Further, the Company also acts as an Investment Manager to Corporate Debt Market Development Fund (CDMDF), an AIF set up under SEBI AIF Regulations, for developing a Backstop Facility for development of the corporate debt market by providing backstop facility at the time of market dislocation to benefit the wider corporate debt market.

The Company is also providing the management and advisory services to Category I foreign portfolio investors and Category II foreign portfolio investors through fund manager(s) managing the schemes of the SBI Mutual Fund as permitted under Regulation 24(b) of the SEBI (Mutual Funds) Regulations, 1996.

The Company has established a branch in IFSC-GIFT City at Gujarat for undertaking Investment Management activities / services for pooled assets and Portfolio Management services. The International Financial Services Centres Authority (IFSCA) has granted certificate of registration dated November 28, 2022 to SBI Funds Management Limited (IFSC Branch) to carry out activities as a Fund Management Entity (Retail) vide registration number is IFSCA/FME/III/2022-23/010. SBIFML through its IFSC branch is acting as an Investment Manager to SBI Investment Opportunities Fund (IFSC) which is registered with IFSCA as a Category III Alternative Investment Fund.

The Company has incorporated a wholly owned subsidiary company Limited in IFSC-GIFT City, viz. SBI Funds International (IFSC) Limited on February 07, 2024, after receiving no objection certificate from SEBI, for undertaking Portfolio Management Services and Investment Management activities / services for pooled assets in IFSC-GIFT City.

### **1. Material Accounting Policies**

#### **1.1 Basis of preparation and presentation**

##### **a) Statement of compliance**

The Financial statements of SBI Funds Management Limited ('the Company') have been prepared and presented on going concern basis and in accordance with Indian



## Material Accounting Policies: SBI Funds Management Limited – Standalone

Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (The Act) [the (Indian Accounting Standards) Rules, 2015] and other provisions of the Act as amended from time to time.

### b) Presentation of standalone financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 36.

### c) Functional and reporting currency

Indian Rupee (₹) is the currency of the primary economic environment in which the company operates and hence the functional currency of the company. Accordingly, the financial statements are presented in Indian Rupee (₹).

### d) Rounding off

All figures have been rounded-off to the nearest lakh up to two decimal places, unless otherwise indicated.

### e) Basis of measurement

The Standalone Financial Statements have been prepared on the historical cost basis except for the following: -

- Financial instruments that are measured at fair value (refer accounting policy regarding financial instruments)
- Assets held for sale – measured at lower of carrying amount or fair value less cost to sell
- Defined benefit plans- plan assets measured at fair value

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

### f) Measurement of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company.



## Material Accounting Policies: SBI Funds Management Limited – Standalone

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability. This category includes all instruments for which the valuation technique includes inputs that are not observable, and the unobservable inputs have a significant effect on the instrument's valuation.

### **g) Use of judgements, estimates and assumptions**

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect application of accounting policies and the reported amount of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses for the periods presented.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Financial instruments – Fair values, risk management and impairment of financial assets.
- Estimates of useful lives and residual value of property, plant and equipment, and other intangible assets.
- Obligation relating to employee benefits related to actuarial assumptions and share based payments.
- Recognition and measurement of provisions and contingencies; key assumptions related to the likelihood and magnitude of an outflow of resources, if any

Recognition of deferred tax assets/liabilities.



## Material Accounting Policies: SBI Funds Management Limited – Standalone

- Determination of lease term and discount rate for lease liabilities.
- Impairment test of non-financial assets - Key assumptions underlying recoverable amounts including the recoverability of expenditure on intangible assets.

### h) Investments in subsidiaries and associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any in its separate financial statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of such investments, the difference between net disposal proceeds and the carrying amount are recognised in the Statement of Profit and Loss.

### 1.2 Revenue Recognition

The Company recognizes revenue from contracts with customers based on a five step model as set out in Ind AS 115 to determine when to recognize revenue and at what amount. The Company applies for the five - step approach for recognition of revenue.

- Identification of contract(s) with customer
- Identification of separate performance obligation in the contract
- Determination of transaction price
- Allocation of transaction price to the separate performance obligation, and
- Recognition of revenue when (or as) each performance obligation is satisfied

#### 1.2.1 Revenue from Operations

The company recognises revenue when amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the company, regardless of when payment is being made.

The following is the description of the activities of the business from which the Company generates its revenue:

##### **(a) Management Fees:**

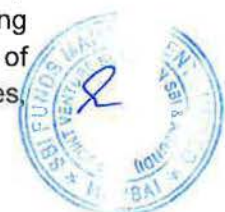
The Company receives management fees from the mutual fund which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The maximum amount of management fee that can be charged is subject to applicable SEBI regulations. In case of AIF Scheme management fees is recognised as defined into offer document on accrual basis.

##### **(b) Portfolio Management and Advisory Services -**

Portfolio Management Fees and Advisory Fees are recognised on an accrual basis as per the terms of the contract with the customers.

These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or advisory fees earned are considered as variable consideration.

If the consideration promised in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses



## Material Accounting Policies: SBI Funds Management Limited – Standalone

or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event.

### 1.2.2 Other Income:

#### (a) Dividend income:

Dividend income from investments is recognised when the right to receive payment has been established.

#### (b) Interest income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest income is included in other income in the statement of profit and loss.

### 1.3 Scheme Expenses

(a) Recurring expenses of schemes borne by the Company are recognised under respective expense heads in the Statement of Profit and Loss unless considered recoverable from the schemes in accordance with provisions of SEBI (Mutual Fund) Regulations 1996 and circular along with guidelines by Association of Mutual Funds in India (AMFI) issued from time to time.

Expenses of schemes of SBI Mutual Fund, in excess of the stipulated rates (if any), are required to be borne by the Company in accordance with the requirements of SEBI (Mutual Fund) Regulations, 1996, and as such, are charged to the Statement of Profit and Loss. In case of PMS/AIF scheme, based on the contract, expenses if any, are charged to the Statement of Profit and Loss.

(b) Brokerage: Brokerage is paid to the brokers for Portfolio Management and Alternative Investment Schemes as per the terms of agreement entered with respective brokers. Brokerage paid by the Company in line with the applicable regulations is being charged to statement of profit and loss over the contractual period.

(c) New Fund Offer Expenses: Expenses relating to new fund offer of SBI Mutual Fund are charged to the Statement of Profit and Loss in the year in which they are incurred in accordance with the requirements of SEBI (Mutual Fund) Regulations, 1996.

### 1.4 Leases

The Company as a lessee:

The Company's lease asset classes primarily consist of leases for office on lease and other assets. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease (iii) the Company has the right to direct the use of the asset. At the date of



## Material Accounting Policies: SBI Funds Management Limited – Standalone

commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 1.5 Foreign currencies

#### (a) Foreign Currency Transactions and translations

Foreign currency transactions are translated into functional currency using respective currency exchange rates prevailing on the date of transaction first qualify for recognition.

##### i. Monetary items:

Foreign exchange gains or losses realized up on settlement of transactions or translation of monetary assets and liabilities denominated in foreign currencies are recognized in statement of profit and loss using reporting date exchange rates.

##### ii. Non-monetary items:

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e.



## **Material Accounting Policies: SBI Funds Management Limited – Standalone**

translation differences on items whose fair value gain or loss is recognised in OCI or statement of profit and loss, respectively).

### **1.6 Employee benefits**

#### **(a) Defined Contribution Plan:**

##### **- Provident Fund**

The Company has defined contribution plans for post-employment benefits in the form of Provident fund. Under the Provident Fund plan, the company contributes to Government administered Provident Fund on behalf of employees. The Company has no further obligation beyond making the contribution.

The Company's contribution to Government Provident Fund is charged to the Statement of Profit and Loss.

##### **- Superannuation**

Superannuation fund is a defined contribution scheme. In case employee opts for superannuation fund, the Company contributes a sum equivalent to 15% of basic salary plus dearness pay of the eligible managerial cadre employees' salary to the Superannuation Fund administered by trustees and managed by the Life Insurance Corporation of India. The Company recognizes such contribution as an expense as and when incurred.

##### **- National Pension System / Scheme (NPS)**

NPS is a defined contribution scheme. In case employee opts for NPS, the Company contributes a sum not exceeding 10% of basic salary plus dearness pay of the eligible employees' salary to the NPS. The Company recognizes such contribution as an expense as and when incurred.

#### **(b) Defined Benefit Plan - Gratuity**

Gratuity liability is a defined benefit obligation and is funded through a Gratuity Fund administered by trustees and managed by the Life Insurance Corporation of India. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year. Actuarial gains and losses are immediately recognized in the Statement of Profit and loss. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability as the case may be. The discount rate is based on the government securities yield. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in other comprehensive income in the statement of comprehensive income in the period in which they arise.

#### **(c) Other Long-term employee benefit obligation:**

All eligible employees of the company are eligible for the encashment of leave or leave with pay subject to certain rules, long term service awards and retirement gift on attaining the superannuation.

The cost of providing other long-term benefits is determined based on independent actuarial valuation carried out as at the end of each financial year.

#### **(d) Employee Share Based Payments:**

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.



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The fair value determined at the grant date of the equity-settled share-based payments is expensed on amortised basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

### **1.7 Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### **(a) Current tax**

Current income tax for current and prior period is recognised at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the end of reporting period.

Current income taxes are recognised in the statement of profit and loss except for items those are recognised outside profit or loss (either in other comprehensive income or in equity), related tax for such items are recognised either in Other Comprehensive income or in Equity.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

#### **(b) Deferred tax**

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax liabilities are generally recognised for all taxable temporary differences except for investment in subsidiaries and associates, when the timings of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The Company offsets deferred tax assets and deferred tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



## Material Accounting Policies: SBI Funds Management Limited – Standalone

### 1.8 Property, plant and equipment

#### (a) Recognition and measurement

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses, if any. Historical cost includes expenses directly attributable to the acquisition of an asset.

Advances paid towards the acquisition of property and equipment and the cost of property and equipment not ready for use before the reporting date are disclosed separately in the property and equipment schedule.

Improvements to leasehold premises are amortised over the primary lease period subject to a maximum period of five years.

#### (b) Depreciation

Depreciation on property, plant and equipment is recognised using Straight Line Method (SLM) to expense the cost less residual values over estimated useful lives as prescribed under schedule II of Companies Act, 2013. Estimated useful lives of property, plant and equipment as stipulated under Schedule II of the Companies Act, 2013 and adopted by management for various block of assets in as under:

Assets	Useful Life (in years)
Office Premises	60
Computers- Servers and networks	6
Computers- End user devices, such as, desktops, laptops, etc.	3
Furniture and fixtures	10
Office Equipment (including Electrical Installation & Building Management systems)	5
Glow Sign Board	2
Vehicles	8

Depreciation on assets purchased or sold during the year is recognised in the statement of profit and loss on a pro-rata basis from the date of addition or as the case may be up to the date on which the asset is sold.

All fixed assets individually costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition.

Estimated useful lives and residual values are reviewed at the end of each financial year and changes, if any, are accounted prospectively.

#### (c) Capital work in progress

Projects under which property plant and equipment are not ready for their intended use are carried at cost less accumulated impairment losses, comprising direct cost, inclusive of taxes, duties, freight, and other incidental expenses.

### 1.9 Intangible assets

#### (a) Recognition and measurement

Intangible assets are initially measured at cost and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.



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Initial cost of software implementation is capitalised and any subsequent maintenance cost or enhancement cost are expensed out to statement of profit and loss unless it meets recognition criteria.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation expense is recognised on a straight-line basis over their estimated useful lives in the statement of profit and loss. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

### (b) Useful lives of intangible assets

Estimated useful lives of the intangible assets adopted by management are as follows:

Description of assets	Useful lives (In years)	Method of depreciation/ amortization
Computer software	3 - 6 years	SLM
Website development cost	3 years	SLM
Copyright licenses	5 years	SLM

### 1.10 De-recognition of PPE and Intangible Assets

Carrying amount (net of accumulated depreciation and amortisation) of property, plant and equipment and intangible asset is derecognised upon its disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Any gains or losses arising on such disposal is determined based on difference between net proceeds and carrying amount and such gains or losses are recognised in statement of profit and loss.

### Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use less accumulated impairment losses (if any).

### 1.11 Provisions, contingent liability and contingent asset

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of reporting period. The discount rate used to determine the present value is pre-tax rate that reflects current market assessments of the time value of money and the risk specified to the liability. The increase in provision due to passage of time is recognised as finance cost.



## Material Accounting Policies: SBI Funds Management Limited – Standalone

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements unless the possibility of an outflow of economic resources is considered remote. Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Capital commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying/ development of assets and other commitment represent the amounts pertaining to investments which have been committed but not called for.

Provisions, contingent assets contingent liabilities and commitments are reviewed at each balance sheet date.

### 1.12 Financial instruments

#### **Initial recognition**

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price.

#### **Subsequent measurement**

##### ***Financial assets carried at amortised cost***

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

##### ***Financial assets at fair value through other comprehensive income***

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting



## **Material Accounting Policies: SBI Funds Management Limited – Standalone**

contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### ***Financial assets at fair value through profit or loss***

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

### **Derecognition of Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

### **Impairment of financial assets**

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

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

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

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### **Financial liabilities**

Financial liabilities are subsequently carried at amortized cost. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when the Company's obligations are discharged, cancelled or have expired.



## Material Accounting Policies: SBI Funds Management Limited – Standalone

### Equity instruments:

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 1.13 Earnings per share

The basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

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/year. Diluted earnings per share is computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the year end.

### 1.14 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

### 1.15 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, call deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.



## Material Accounting Policies: SBI Funds Management Limited – Standalone

### 1.16 Impairment of Non- Financial assets

The carrying amounts of non-financial assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated impaired when the carrying cost of an asset or cash-generating unit's (CGU) exceeds its recoverable value.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. The recoverable amount is the greater of the assets' or CGU's fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered.

If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. An impairment loss, if any, is charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.



**SBI FUNDS MANAGEMENT LIMITED**  
**Notes to the Financial Statements**

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>2. Cash and Cash Equivalents</b>		
Cash on hand	0.28	0.41
Cheques in hand	-	-
Balance with banks *		
-in current accounts	215.26	31.23
<b>Total</b>	<b>215.54</b>	<b>31.64</b>
(*Refer Note No 41 for Related Party Disclosures)		
<b>3. Other Bank Balances *</b>		
Current account earmarked for unpaid dividend #	0.50	2.44
Earmarked for CSR	1,752.68	365.75
Balances with banks**	3,718.51	2,539.91
(Including interest accrued)		
<b>Total</b>	<b>5,471.69</b>	<b>2,908.10</b>
(*Refer Note No 41 for Related Party Disclosures)		
(** includes (i) AED 50,000 (₹11.35 lakhs) [previous year AED 50,000 (₹ 10.28 lakhs)] towards lien created in favour of Ministry of Economy, Dubai, UAE., for operation of representative office at Dubai.		
(ii) ₹ 2,137 lakhs [previous year ₹ 2,145 lakhs] towards lien created for PMS activities for providing the Performance Guarantee)		
(# ₹0.50 lakhs (Previous year ₹ 2.30 lakhs) earmarked for unpaid dividend)		
<b>4. Trade Receivables *</b>		
(a) Receivables considered good - Secured;	-	-
<u>(b) Receivables considered good - Unsecured;</u>		
i. Management Fees Receivable	7,085.42	2,982.91
ii. Portfolio Management & Advisory Fees Receivable	3,612.30	2,617.43
(c) Receivables which have significant increase in credit risk;	-	-
(d) Receivables – credit impaired	-	-
<b>Total</b>	<b>10,697.72</b>	<b>5,600.34</b>
<b>Loss Allowance</b>		
(a) Receivables considered good - Secured;	-	-
<u>(b) Receivables considered good - Unsecured;</u>		
i. Management Fees Receivable	-	-
ii. Portfolio Management & Advisory Fees Receivable	-	-
(c) Receivables which have significant increase in credit risk;	-	-
(d) Receivables – credit impaired	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Net Amount (Trade Receivable)</b>		
(a) Receivables considered good - Secured;	-	-
<u>(b) Receivables considered good - Unsecured;</u>		
i. Management Fees Receivable	7,085.42	2,982.91
ii. Portfolio Management & Advisory Fees Receivable	3,612.30	2,617.43
(c) Receivables which have significant increase in credit risk;	-	-
(d) Receivables – credit impaired	-	-
<b>Total</b>	<b>10,697.72</b>	<b>5,600.34</b>
<b>Receivables considered good - Unsecured;</b>		
<b>Undisputed</b>		
- Unbilled	1,383.31	591.02
- Billed but not due	-	-
- Billed and due	9,314.41	5,009.32
<b>Disputed</b>	-	-
<b>Total</b>	<b>10,697.72</b>	<b>5,600.34</b>
<b>Trade Receivables - ageing schedule</b>		
<b>Unsecured, considered good &amp; undisputed</b>		
- Unbilled	1,383.31	591.02
- Billed and due		
- Less than 6 Months	9,048.49	4,752.44
- 6 months - 1 year	234.32	255.73
- 1-2 years	31.60	1.15
<b>Disputed</b>	-	-
<b>Total</b>	<b>10,697.72</b>	<b>5,600.34</b>

(\*Refer Note No 41 for Related Party Disclosures)

(No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member)



**SBI FUNDS MANAGEMENT LIMITED****Notes to the Financial Statements**

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>5. Loans*</b>		
(i) Loan to Employee Welfare Trust (EWT) \$	4,499.55	4,161.89
(ii) <u>Staff Loans</u>		
(a) Loans receivable considered good - Secured #	17.83	22.20
(b) Loans receivable considered good - Unsecured	6.33	10.27
(c) Loans receivable which have significant increase in credit risk	-	-
(d) Loans receivable - credit impaired	-	-
<b>Total</b>	<b>4,523.71</b>	<b>4,194.36</b>

(\$ Measured at amortised cost)

Loan is granted to EWT pursuant to amended ESOP policy for the period of 5 years and as approved by the shareholders .

(\*Refer Note No 41 for Related Party Disclosures)

(# Staff loans include housing loans and vehicles loans which are secured against the respective assets and are based in India)



6. Investments

(₹ In Lakhs)

Particulars	As at 31 Mar 2024					Total
	Amortised cost	At Fair Value			Others	
		Through OCI#	Fair value through profit or loss account	Subtotal		
	1	2	3	4=(2+3)	5	6=(1+4+5)
Mutual fund units	-	-	4,46,849.98	4,46,849.98	-	4,46,849.98
Alternative investment funds	-	-	6,756.35	6,756.35	-	6,756.35
Debt Securities	2,04,668.79	-	-	-	-	2,04,668.79
Investment in Subsidiaries *	-	-	-	-	4.44	4.44
Investment in Associates*	-	-	-	-	600.25	600.25
Investment in Equity Shares	-	-	1,988.30	1,988.30	0.10	1,988.40
Investment in Preference Shares	23.11	-	-	-	-	23.11
<b>Total – Gross (A)</b>	<b>2,04,691.90</b>	<b>-</b>	<b>4,55,594.63</b>	<b>4,55,594.63</b>	<b>604.79</b>	<b>6,60,891.32</b>
(i) Overseas Investments	-	-	-	-	4.44	4.44
(ii) Investments in India	2,04,691.90	-	4,55,594.63	4,55,594.63	600.35	6,60,886.88
<b>Total (B)</b>	<b>2,04,691.90</b>	<b>-</b>	<b>4,55,594.63</b>	<b>4,55,594.63</b>	<b>604.79</b>	<b>6,60,891.32</b>
Less: Impairment loss allowance (C)	-	-	-	-	-	-
<b>Total – Net (D) = (A)-(C)</b>	<b>2,04,691.90</b>	<b>-</b>	<b>4,55,594.63</b>	<b>4,55,594.63</b>	<b>604.79</b>	<b>6,60,891.32</b>

(₹ In Lakhs)

Particulars	As at 31 Mar 2023					Total
	Amortised cost	At Fair Value			Others	
		Through OCI#	Fair value through profit or loss account	Subtotal		
	1	2	3	4=(2+3)	5	6=(1+4+5)
Mutual fund units	-	-	2,73,985.85	2,73,985.85	-	2,73,985.85
Alternative investment funds	-	-	3,861.57	3,861.57	-	3,861.57
Debt Securities	1,78,014.33	-	-	-	-	1,78,014.33
Investment in Subsidiaries*	-	-	-	-	4.44	4.44
Investment in Associates*	-	-	-	-	600.25	600.25
Investment in Equity Shares	-	-	2,020.41	2,020.41	0.10	2,020.51
Investment in Preference Shares	23.37	-	-	-	-	23.37
<b>Total – Gross (A)</b>	<b>1,78,037.70</b>	<b>-</b>	<b>2,79,867.83</b>	<b>2,79,867.83</b>	<b>604.79</b>	<b>4,58,510.32</b>
(i) Overseas Investments	-	-	-	-	4.44	4.44
(ii) Investments in India	1,78,037.70	-	2,79,867.83	2,79,867.83	600.35	4,58,505.88
<b>Total (B)</b>	<b>1,78,037.70</b>	<b>-</b>	<b>2,79,867.83</b>	<b>2,79,867.83</b>	<b>604.79</b>	<b>4,58,510.32</b>
Less: Impairment loss allowance (C)	-	-	-	-	-	-
<b>Total – Net (D) = (A)-(C)</b>	<b>1,78,037.70</b>	<b>-</b>	<b>2,79,867.83</b>	<b>2,79,867.83</b>	<b>604.79</b>	<b>4,58,510.32</b>

(# Other Comprehensive Income)

(\* Investment in Subsidiary and Associate are carried at cost)



**SBI FUNDS MANAGEMENT LIMITED****Notes to the Financial Statements****(₹ In Lakhs)**

<b>Particulars</b>	<b>As at 31 Mar 2024</b>	<b>As at 31 Mar 2023</b>
<b>7. Other Financial Assets*</b>		
Investment pending allotment	-	50.53
Security deposits (Unsecured considered good)	757.56	791.80
GST payment under protest	-	-
Others	51.51	0.84
<b>Total</b>	<b>809.07</b>	<b>843.17</b>
(*Refer Note No 41 for Related Party Disclosures)		
<b>8. Deferred Tax</b>		
Deferred Tax Assets	(1,799.40)	(1,310.45)
Deferred Tax Liabilities	9,057.33	2,330.83
<b>Deferred Tax Liabilities (Net) \$</b>	<b>7,257.93</b>	<b>1,020.38</b>
(\$ Refer Note No 25 for disclosure)		



## 9 Property, Plant and Equipment

## 9.1 Property, Plant and Equipment - As at 31 Mar 2024

(₹ In Lakhs)

Particulars	Gross Block (At Cost)				Accumulated Depreciation				Net Block
	As at 01.04.2023	Additions for the year	Deductions/ Adjustments/ for the year	As at 31.03.2024	Up to 01.04.2023	For the Year (\$)	Deductions/ Adjustments/ for the year	Up to 31.03.2024	As at 31.03.2024
Building (refer note i)	15,018.24	-	-	15,018.24	1,602.30	267.05	-	1,869.35	13,148.89
Electrical Fittings (including Building Management Systems)	89.05	6.49	0.25	95.29	88.26	6.70	0.25	94.71	0.58
Furniture and Fixtures	908.17	79.62	33.15	954.64	641.83	96.07	31.23	706.67	247.97
Vehicles	44.47	-	0.95	43.52	36.96	3.44	0.95	39.45	4.07
Office Equipment	1,133.13	343.13	24.35	1,451.91	658.99	201.96	23.12	837.83	614.08
Right to use asset #	13,693.47	5,122.39	473.15	18,342.71	6,161.86	2,485.42	309.34	8,337.94	10,004.77
Computers	2,823.44	52.67	386.43	2,489.68	2,532.29	125.77	386.45	2,271.61	218.07
Leasehold Improvements	1,907.14	453.79	93.25	2,267.68	1,166.01	266.90	26.92	1,405.99	861.69
<b>Total Tangible Assets</b>	<b>35,617.11</b>	<b>6,058.09</b>	<b>1,011.53</b>	<b>40,663.67</b>	<b>12,888.50</b>	<b>3,453.31</b>	<b>778.26</b>	<b>15,563.55</b>	<b>25,100.12</b>

## 9.2 Property, Plant and Equipment - As at 31 Mar 2023

(₹ In Lakhs)

Particulars	Gross Block (At Cost)				Accumulated Depreciation				Net Block
	As at 01.04.2022	Additions for the year	Deductions/ Adjustments/ for the year	As at 31.03.2023	Up to 01.04.2022	For the Year (\$)	Deductions/ Adjustments/ for the year	Up to 31.03.2023	As at 31.03.2023
Building (Refer Note i)	15,018.24	-	-	15,018.24	1,335.25	267.05	-	1,602.30	13,415.94
Electrical Fittings (including Building Management Systems)	82.53	6.54	0.02	89.05	81.53	6.75	0.02	88.26	0.79
Furniture and Fixtures	833.39	87.36	12.58	908.17	533.16	119.45	10.78	641.83	266.34
Vehicles	44.47	-	-	44.47	33.52	3.44	-	36.96	7.51
Office Equipment	855.80	290.05	12.72	1,133.13	500.75	170.62	12.38	658.99	474.14
Right to use asset #	11,161.72	3,134.79	603.04	13,693.47	4,523.21	2,027.37	388.72	6,161.86	7,531.61
Computers	2,924.37	56.03	156.96	2,823.44	2,451.00	237.86	156.57	2,532.29	291.15
Leasehold Improvements	1,449.02	474.19	16.07	1,907.14	881.20	300.81	16.00	1,166.01	741.13
<b>Total Tangible Assets</b>	<b>32,369.54</b>	<b>4,048.96</b>	<b>801.39</b>	<b>35,617.11</b>	<b>10,339.62</b>	<b>3,133.35</b>	<b>584.47</b>	<b>12,888.50</b>	<b>22,728.61</b>

Note i : On long term assignment basis

## # Right to use asset - As at 31 Mar 2024

(₹ In Lakhs)

Particulars	Gross Block (At Cost)				Accumulated Depreciation				Net Block
	As at 01.04.2023	Additions for the year	Deductions/ Adjustments/ Reclassification for the year	As at 31.03.2024	Up to 01.04.2023	For the Year (\$)	Deductions/ Adjustments/ Reclassification for the year	Up to 31.03.2024	As at 31.03.2024
Building	12,809.50	4,008.09	473.15	16,344.44	5,572.55	1,931.50	309.34	7,194.71	9,149.73
Computers	776.53	979.51	-	1,756.04	518.09	510.39	-	1,028.48	727.56
Vehicle	107.44	134.79	-	242.23	71.22	43.53	-	114.75	127.48
<b>Grand Total</b>	<b>13,693.47</b>	<b>5,122.39</b>	<b>473.15</b>	<b>18,342.71</b>	<b>6,161.86</b>	<b>2,485.42</b>	<b>309.34</b>	<b>8,337.94</b>	<b>10,004.77</b>

## # Right to use asset - As at 31 Mar 2023

(₹ In Lakhs)

Particulars	Gross Block (At Cost)				Accumulated Depreciation				Net Block
	As at 01.04.2022	Additions for the year	Deductions/ Adjustments/ for the year	As at 31.03.2023	Up to 01.04.2022	For the Year (\$)	Deductions/ Adjustments/ for the year	Up to 31.03.2023	As at 31.03.2023
Building	10,329.95	3,082.59	603.04	12,809.50	4,209.99	1,751.28	388.72	5,572.55	7,236.95
Computers	724.33	52.20	-	776.53	274.19	243.90	-	518.09	258.44
Vehicle	107.44	-	-	107.44	39.03	32.19	-	71.22	36.22
<b>Grand Total</b>	<b>11,161.72</b>	<b>3,134.79</b>	<b>603.04</b>	<b>13,693.47</b>	<b>4,523.21</b>	<b>2,027.37</b>	<b>388.72</b>	<b>6,161.86</b>	<b>7,531.61</b>



10. Intangible assets under development (₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Intangible asset under development	-	187.90

10.1 Intangible assets under development ageing schedule

Intangible assets under development	Amount of intangible assets under development for a period of			
	As at 31 Mar 2024		As at 31 Mar 2023	
	Less than 1 year	Total	Less than 1 year	Total
Projects in Progress	-	-	187.90	187.90
Projects temporarily suspended	-	-	-	-

Intangible assets under development : Schedule for completion of overdue projects/assets from above : Nil

11 Intangible Assets

11.1 Intangible Assets - As at 31 Mar 2024

Particulars	Gross Block (At Cost)				Accumulated Amortisation				Net Block
	As at 01.04.2023	Additions for the year	Deductions/ Adjustments/ Reclassification for the year	As at 31.03.2024	Up to 01.04.2023	For the Year (\$)	Deductions/ Adjustments/ Reclassification for the year	Up to 31.03.2024	As at 31.03.2024
Computer Software	2,338.37	16.52	-	2,354.89	2,178.15	115.99	-	2,294.14	60.75
Copyright License	15.81	-	-	15.81	15.81	-	-	15.81	-
Website Development Cost	353.39	402.75	-	756.14	93.50	130.33	-	223.83	532.31
<b>Total Intangible Assets</b>	<b>2,707.57</b>	<b>419.27</b>	<b>-</b>	<b>3,126.84</b>	<b>2,287.46</b>	<b>246.32</b>	<b>-</b>	<b>2,533.78</b>	<b>593.06</b>

11.2 Intangible Assets - As at 31 Mar 2023

Particulars	Gross Block (At Cost)				Accumulated Amortisation				Net Block
	As at 01.04.2022	Additions for the year	Deductions/ Adjustments/ Reclassification for the year	As at 31.03.2023	Up to 01.04.2022	For the Year (\$)	Deductions/ Adjustments/ Reclassification for the year	Up to 31.03.2023	As at 31.03.2023
Computer Software	2,263.69	74.68	-	2,338.37	1,951.13	227.02	-	2,178.15	160.22
Copyright License	15.81	-	-	15.81	15.81	-	-	15.81	-
Website Development Cost	70.22	283.17	-	353.39	70.22	23.28	-	93.50	259.89
<b>Total Intangible Assets</b>	<b>2,349.72</b>	<b>357.85</b>	<b>-</b>	<b>2,707.57</b>	<b>2,037.16</b>	<b>250.30</b>	<b>-</b>	<b>2,287.46</b>	<b>420.11</b>

(₹) Depreciation and Amortization Expense \*

Particulars	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Depreciation on Property, Plant and Equipment	3,453.31	3,133.35
Amortization of Intangible Assets	246.32	250.30
<b>Total</b>	<b>3,699.63</b>	<b>3,383.65</b>

(\* includes ₹30.57 lakh (previous year ₹ 23.79 lakh) assets costing up to ₹ 5000)



**SBI FUNDS MANAGEMENT LIMITED**
**Notes to the Financial Statements**

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>12. Other Non-Financial Assets</b>		
Prepayment under leases	224.10	167.94
GST payment under protest *	658.22	-
Prepaid expenses	1,607.40	1,495.50
Others	416.85	627.96
<b>Total</b>	<b>2,906.57</b>	<b>2,291.40</b>

(\* Refer Note No 29)

**13. Trade Payables\***

(i) Total outstanding dues of micro enterprises and small enterprises **	54.29	4.83
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,788.97	1,352.73
<b>Total</b>	<b>1,843.26</b>	<b>1,357.56</b>

(\*Refer Note No.41 for Related Party Disclosures)

(\*\*Refer Note No 42 for disclosure)

**Trade Payables - MSME**
**Undisputed**

- Unbilled	-	-
- Bill not due for payment	-	-
- Billed and due for payment	54.29	4.83

**Disputed**

<b>Total</b>	<b>54.29</b>	<b>4.83</b>
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**Trade Payables - Others**
**Undisputed**

- Unbilled	828.12	613.00
- Billed not due for payment	-	-
- Billed and due for payment	960.85	739.73

**Disputed**

<b>Total</b>	<b>1,788.97</b>	<b>1,352.73</b>
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**Trade Payables - Ageing Schedule**
**Undisputed - MSME**

- Unbilled	-	-
- <u>Billed and due</u>		
- Less than 1 year	54.29	4.83

**Disputed - MSME**

<b>Total</b>	<b>54.29</b>	<b>4.83</b>
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**SBI FUNDS MANAGEMENT LIMITED**

**Notes to the Financial Statements**

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>Trade Payables - Ageing Schedule</b>		
<b>Undisputed - Others</b>		
- Unbilled	828.12	613.00
- <u>Billed and due</u>		
- Less than 1 year	960.85	739.73
<b>Disputed - Others</b>	-	-
<b>Total</b>	<b>1,788.97</b>	<b>1,352.73</b>
<b>14. Other Financial Liabilities</b>		
CSR Payable	1,752.68	365.75
Other liabilities		
i. Earnest money deposit *	1.69	2.45
ii. Retention money *	30.52	35.03
iii. Interim Dividend payable	0.26	2.30
iv. Creditors for capital expenditure*	1.24	37.02
v. Lease liabilities	11,161.99	8,392.67
vi. Expenses payable	0.64	38.53
<b>Total</b>	<b>12,949.02</b>	<b>8,873.75</b>
(*Refer Note No 42 for disclosure)		
<b>15. Provisions</b>		
(a) Provision for Employee Benefits	11,287.39	10,162.06
(b) Provision for Contingencies	1,560.45	420.00
(c) Provision for Expenses	171.96	463.66
<b>Total</b>	<b>13,019.80</b>	<b>11,045.72</b>
<b>16. Other Non-Financial Liabilities</b>		
<u>Statutory dues payable</u>		
- Goods and services tax	423.15	452.87
- Withholding taxes	128.37	315.12
- Others	1.45	1.29
<b>Total</b>	<b>552.97</b>	<b>769.28</b>



Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>17. Equity Share Capital</b>		
<b>Authorised</b>		
52,50,00,000 Equity Shares of ₹ 1 each (Previous year 52,50,00,000 Equity Shares of ₹ 1 each)	5,250.00	5,250.00
<b>Issued, Subscribed and Paid Up</b>		
50,63,39,626 Equity Shares of ₹ 1 each (fully paid up )	5,063.40	5,037.24
(Previous year 50,37,23,797 Equity Shares of ₹ 1 each [fully paid up])		

**17.1 Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 Mar 2024		As at 31 Mar 2023	
	No of Shares	(₹ In Lakhs)	No of Shares	(₹ In Lakhs)
<b>Equity Shares (face value of ₹ 1 each)</b>				
Outstanding at the beginning of the year	50,37,23,797	5,037.24	50,33,05,156	5,033.05
Add: Shares issued during the year	26,15,829	26.16	4,18,641	4.19
<b>Outstanding at the end of the year (face value of ₹ 1 each)</b>	<b>50,63,39,626</b>	<b>5,063.40</b>	<b>50,37,23,797</b>	<b>5,037.24</b>

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in the case of an interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**17.2 Details of Shares held by Holding/Promoter Company**

Particulars	As at 31 Mar 2024		As at 31 Mar 2023	
	No of Shares	(₹ In Lakhs)	No of Shares	(₹ In Lakhs)
State Bank of India	31,50,00,000	3,150.00	31,50,00,000	3,150.00

**17.3 Details of share holders holding more than 5% shares**

Particulars	As at 31 Mar 2024		As at 31 Mar 2023	
	No of Shares	% of Holding	No of Shares	% of Holding
State Bank of India	31,50,00,000	62.21%	31,50,00,000	62.53%
Amundi India Holding, a wholly owned subsidiary of Amundi	18,50,00,000	36.54%	18,50,00,000	36.73%

48,10,312 (Previous Year: 61,02,287) equity shares of ₹ 1 each are reserved for issuance towards outstanding ESOP (Refer Note No 28)

During the current year 26,15,829 no.s of equity shares (Previous Year 4,18,641 no.s) at a face value of ₹ 1 each have been allotted to employees on exercise of ESOP.

The Company was a joint venture between State Bank of India and Société Générale Asset Management. However, consequent upon Société Générale S.A. and Credit Agricole S.A. entering into an agreement to undertake a global merger of their fundamental asset management businesses, 18,50,000 equity shares constituting 37% (on the date of transfer) of the paid-up equity share capital held by Société Générale Asset Management have been transferred to Amundi India Holding, a wholly owned subsidiary of Amundi on 30th May, 2011 after obtaining relevant regulatory approvals.



**SBI FUNDS MANAGEMENT LIMITED**  
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(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>18. Other Equity</b>		
<b>(A) General Reserve</b>		
Balance at the beginning of the year	12,260.09	11,760.09
Add: Transfer from Retained Earnings	500.00	500.00
<b>Sub-total (A)</b>	<b>12,760.09</b>	<b>12,260.09</b>
<b>(B) Share Application Amount</b>		
Balance at the beginning of the year	-	-
Add: During the year	10,075.05	1,365.12
<u>Less: transferred to :</u>		
- Paid up Capital	(26.16)	(4.19)
- Securities Premium account	(10,048.89)	(1,360.93)
<b>Sub-total (B)</b>	<b>-</b>	<b>-</b>
<b>(C) Securities Premium</b>		
Balance at the beginning of the year	10,216.32	8,492.47
Add: Transfer from Share Application account	10,048.89	1,360.93
Add: Transfer from ESOP Outstanding account	2,774.47	362.92
<b>Sub-total (C)</b>	<b>23,039.68</b>	<b>10,216.32</b>
<b>(D) Retained Earnings</b>		
Balance at the beginning of the year	4,43,947.94	3,28,943.47
Add: Profit for the year	2,06,295.17	1,33,119.61
Add: Transfer from ESOP Outstanding account #	48.49	15.19
Less: Transfer to general reserve	(500.00)	(500.00)
Less: Interim dividend	(20,253.59)	(17,630.33)
<b>Sub-total (D)</b>	<b>6,29,538.01</b>	<b>4,43,947.94</b>
<b>(E) Share Option Outstanding Account (Employee stock options)</b>		
Balance at the beginning of the year	5,834.22	3,314.84
Add: Additions during the year	2,787.81	2,897.49
Less: Transfer to Securities Premium account	(2,774.47)	(362.92)
Less: Transfer to Retained Earnings #	(48.49)	(15.19)
<b>Sub-total (E)</b>	<b>5,799.07</b>	<b>5,834.22</b>
<b>(F) Foreign Currency Translation Reserve</b>		
Balance at the beginning of the year	-	-
Add: Additions during the year	0.85	-
<b>Sub-total (F)</b>	<b>0.85</b>	<b>-</b>
<b>(G) Other Comprehensive Income</b>		
Balance at the beginning of the year (Net)	(449.96)	(447.43)
Add: Movement during the year	(60.65)	(2.53)
<b>Sub-total (G)</b>	<b>(510.61)</b>	<b>(449.96)</b>
<b>Total (A+B+C+D+E+F+G)</b>	<b>6,70,627.09</b>	<b>4,71,808.61</b>

(# On account of cancellation of vested ESOP Options)

**General Reserve :**

General Reserve is created from time to time by transferring profits from retained earnings.

**Share Option Outstanding Account (Employee Stock Options) :**

The grant date fair value of equity-settled share-based payment transactions with employees are recognised in the Statement of Profit and Loss with the corresponding credit to this account over the vesting period. The amounts recorded in Share Options Outstanding Account are transferred to Securities Premium upon exercise of stock options by the employees.

**Securities Premium :**

The Securities Premium is used to record premium (amount received in excess of Face Value of Equity Shares) on issue of shares and also includes amount transferred from Share Option Outstanding Account upon exercise of options by employees.

**Retained Earnings:**

Retained earnings represents the amount of accumulated earnings of the Company.  
 The Company paid interim dividend of ₹ 20,253.59 Lakh @ ₹ 4.00/- per equity share during the year.

**Foreign Currency Translation Reserve :**

Foreign currency translation reserve represent the translation difference of IFSC branch operations.

**Other Comprehensive Income :**

It consists of measurement of net defined benefit liability/asset of employee benefits.



**SBI FUNDS MANAGEMENT LIMITED**
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(₹ In Lakhs)

Particulars	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
<b>19. Asset Management Fees</b>		
Management Fees	2,60,240.72	2,10,360.77
Portfolio Management & Other Advisory Fees	8,037.73	5,196.52
<b>Total</b>	<b>2,68,278.45</b>	<b>2,15,557.29</b>
<b>20. Net Gain On Fair Value Changes</b>		
Net gain / (loss) on financial instruments at fair value through profit or loss	58,262.39	14,169.72
<b>Total</b>	<b>58,262.39</b>	<b>14,169.72</b>
<b>Fair Value Changes</b>		
Realised	4,384.52	8,151.46
Unrealised	53,877.87	6,018.26
<b>Total</b>	<b>58,262.39</b>	<b>14,169.72</b>
<b>21. Other Income</b>		
<u>Dividend income</u>		
- Preference shares (Financial Assets classified at amortised cost)	1.61	1.61
- Mutual Fund (Financial Assets classified at fair value through profit or loss)	27.09	-
- Subsidiary *	415.33	547.96
<u>Interest income</u>		
- Fixed Deposits*	202.43	139.47
- Staff Loans	0.87	1.37
- Security Deposits	45.56	45.24
- Loan to Employees Welfare Trust (Financial Assets classified at amortised cost)*	299.85	6.54
- Investment in Bonds (Financial Assets classified at Amortised Cost)	14,432.48	9,727.17
- Investment in AIF (Financial Assets classified at fair value through profit or loss)	244.22	219.96
<b>Dividend and interest income (A)</b>	<b>15,669.44</b>	<b>10,689.32</b>
Net gain on sale of Property, Plant and Equipment	13.31	9.72
Net gain on foreign currency transactions and translations	-	15.25
Interest on Income tax refund	118.49	-
Miscellaneous Income	174.47	744.77
<b>Other income (B)</b>	<b>306.27</b>	<b>769.74</b>
<b>Total (A+B)</b>	<b>15,975.71</b>	<b>11,459.06</b>
(*Refer Note No 41 for Related Party Disclosures)		
<b>22. Employee Benefit Expense</b>		
Salaries and allowances*	30,377.53	26,837.02
Contribution to provident and other funds	2,417.28	1,591.52
Employee Stock Option Expenses	2,787.81	2,897.49
Staff welfare expenses	1,256.14	1,288.14
<b>Total</b>	<b>36,838.76</b>	<b>32,614.17</b>
(*Refer Note No 41 for Related Party Disclosures)		



Particulars	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
<b>23. Other Expenses*</b>		
Rent, Taxes and Energy Cost #	766.11	590.44
Software and IT cost	5,350.26	3,763.68
Insurance	122.56	107.38
Travelling and Conveyance	1,256.46	1,953.64
Recruitment and Training	245.75	213.77
Printing and Stationery	181.45	166.48
Postage and Courier	110.30	106.87
Communication Cost	754.66	722.43
Advertising, Publicity and Business Promotion	4,887.97	4,403.59
Outsource Manpower Services	3,764.70	3,596.52
Legal and Professional Fees	4,060.07	2,815.10
<u>Auditor's remuneration:</u>		
-Audit fees	39.00	37.00
-Certification fee & other assurance fees	6.59	6.36
Directors' Sitting Fees	64.60	45.20
Royalty to SBI for Logo	2,662.39	2,141.30
Corporate Social Responsibility \$	2,787.58	2,156.91
Repairs and Maintenance	458.29	470.66
Net loss on foreign currency transactions and translations	34.03	-
Membership and Subscription	990.12	886.55
Miscellaneous Expenses	394.96	388.46
<b>Total</b>	<b>28,937.85</b>	<b>24,572.34</b>

(\*Refer Note No 41 for Related Party Disclosures)

(# Refer Note No 40)

(\$ Refer Note No 31)



24. Tax Expenses

(a) Amount recognised in the Statement of Profit and Loss

Particulars	For the Year ended 31 Mar 2024	For the Year ended 31 Mar 2023
<b>Current tax</b>		
In respect of the current year	55,050.00	43,850.00
Deferred Tax	6,257.95	319.41
<b>Income tax expense for the year</b>	<b>61,307.95</b>	<b>44,169.41</b>

(b) Amount recognised in Other Comprehensive Income

Particulars	For the Year ended 31 Mar 2024	For the Year ended 31 Mar 2023
Tax on remeasurements of the defined benefit plans	20.40	0.85

(c) Reconciliation of Effective Tax Rate

Particulars	For the Year ended 31 Mar 2024	For the Year ended 31 Mar 2023
a. Profit before tax	2,67,603.12	1,77,289.02
b. Applicable Tax Rate*	25.17%	25.17%
c. Computed Tax Expenses (a * b)	67,350.35	44,620.10
d. Tax Effect of:-		
- Effect of Items taxable at different rates	(7,419.79)	(1,383.03)
- Net expense non deductible	1414.21	1,275.00
- Tax exempt income & others	(36.82)	(342.66)
<b>Total (d)</b>	<b>(6,042.40)</b>	<b>(450.69)</b>
e. Tax Adjustments of earlier years	-	-
<b>f. Tax expense recognised during the year (c + d + e)</b>	<b>61,307.95</b>	<b>44,169.41</b>
<b>g. Effective Tax Rate (f ÷ a)</b>	<b>22.91%</b>	<b>24.91%</b>

(\* Company has opted for Concessional Tax Rate under section 115BAA of Income Tax Act, 1961.)



**25. Deferred Tax Balances**

The following is the analysis of Deferred Tax Assets/(Liabilities) presented in the Balance Sheet:

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Deferred Tax Assets	1,799.40	1,310.45
Deferred Tax Liabilities	(9,057.33)	(2,330.83)
<b>Net</b>	<b>(7,257.93)</b>	<b>(1,020.38)</b>

**Current Year (2023-24)**

(₹ In Lakhs)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Recognised directly in Equity	Reclassified from Equity to Profit or Loss	Closing Balance
<b>Deferred Tax (Liabilities)/Assets in relation to:</b>						
Depreciation/Amortization on Tangible/Intangible Assets	244.33	60.87	-	-	-	305.20
Fair Valuation of Investments	(2,330.83)	(6,726.50)	-	-	-	(9,057.33)
Provision for Leave Encashment	609.83	53.88	-	-	-	663.71
Provision for Gratuity	128.76	(55.65)	20.40	-	-	93.51
Others [including 40(a) and 43B]	107.86	334.58	-	-	-	442.44
Right to Use Assets	217.09	74.16	-	-	-	291.25
Fair Value of Security Deposit	2.58	0.71	-	-	-	3.29
<b>(A)</b>	<b>(1,020.38)</b>	<b>(6,257.95)</b>	<b>20.40</b>	<b>-</b>	<b>-</b>	<b>(7,257.93)</b>
Tax losses	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>(B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>(1,020.38)</b>	<b>(6,257.95)</b>	<b>20.40</b>	<b>-</b>	<b>-</b>	<b>(7,257.93)</b>

**Previous Year (2022-23)**

(₹ In Lakhs)

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Recognised directly in Equity	Reclassified from Equity to Profit or Loss	Closing Balance
<b>Deferred Tax (Liabilities)/Assets in relation to:</b>						
Depreciation/Amortization on Tangible/Intangible Assets	163.02	81.31	-	-	-	244.33
Fair Valuation of Investments	(1,774.97)	(555.86)	-	-	-	(2,330.8)
Provision for Leave Encashment	568.81	41.02	-	-	-	609.83
Provision for Gratuity	50.82	77.09	0.85	-	-	128.76
Others [including 40(a) and 43B]	107.86	-	-	-	-	107.86
Right to Use Assets	179.90	37.19	-	-	-	217.09
Fair Value of Security Deposit	2.74	(0.16)	-	-	-	2.58
<b>Total</b>	<b>(701.82)</b>	<b>(319.41)</b>	<b>0.85</b>	<b>-</b>	<b>-</b>	<b>(1,020.38)</b>



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**26. Earnings Per Share (EPS)**

Particulars	For the Year Ended 31 Mar 2024	For the Year Ended 31 Mar 2023
(a) Nominal Value of an Equity Share (₹)	1.00	1.00
(b) Net Profit available to Equity Shareholders (₹ in Lakhs)	2,06,295.17	1,33,119.61
(c) Number of Shares Outstanding	50,63,39,626	50,37,23,797
(d) Weighted Average Number of Shares Outstanding	50,43,40,323	50,33,26,948
(e) Effect of Potential Equity Shares for Stock Outstanding	24,70,240.00	22,28,677
(f) Weighted Average Number of Equity Shares used for computing Diluted Earning Per Share	50,68,10,563	50,55,55,625
<b>(g) Basic EPS (₹) = (b)/(d)</b>	<b>40.90</b>	<b>26.45</b>
<b>(h) Diluted EPS (₹) = (b)/(f)</b>	<b>40.70</b>	<b>26.33</b>

**27. Contingent Liabilities & Capital Commitments**

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>A. Contingent Liabilities</b>		
Claims Against the Company Not Acknowledged as Debts	247.45	254.08
<b>Subtotal (A)</b>	<b>247.45</b>	<b>254.08</b>
<b>B. Capital &amp; Other Commitments</b>		
i. Contracts remaining to be executed on capital account	31.07	216.32
ii. Capital Commitment for AIF Scheme	1,971.45	1,522.09
ii. Capital Commitment for IFSC (Subsidiary)	5,000.00	-
<b>Subtotal (B)</b>	<b>7,002.52</b>	<b>1,738.41</b>
<b>Total (A+B)</b>	<b>7,249.97</b>	<b>1,992.49</b>



**28. Accounting for Share Based Payments (ESOP)**

The Company has instituted the Employee Stock Option Plan 2018 ("ESOP-2018" or "Scheme") for eligible employees of the Company, duly approved by the Board of Directors at its meeting held on 20th January 2018 and the shareholders at the EGM held on 31st January 2018. The Scheme was amended with approval of the Board of Directors at its meeting held on 25th January 2023 and the shareholders at the EGM held on 17th February 2023 (by way of a special resolution) to enable the Company to implement the ESOP-2018 and future ESOP plans through: (a) Direct route, (b) Trust route and (c) a combination of the Direct & Trust route.

The amended Scheme categorizes options as Type I, Type II and Type III options with multiple vesting periods. The options can be exercised over a period of seven (7) years from the grant date. Each option carries with it the right to acquire one equity share of the Company at the exercise price determined by the Company at the time of grant.

Pursuant to the amended Scheme and approval of the Board of Directors upon recommendation of the Nomination and Remuneration Committee ("NRC"), the Company has set up the SBI Funds Management Limited – Employee Welfare Trust ("ESOP Trust"). In terms of the amended Scheme and Trust Deed, the Company has advanced funds to the ESOP Trust to enable the ESOP Trust to acquire 5,17,174 (PY 5,09,606) shares of the Company from employees/legal heirs.

**Employee Stock Option Plan 2018 (ESOP-2018)-I**

During the financial year 2017-18 Company granted 23,30,668 ESOP at fair value. The exercise price of such ESOP on the date of grant is ₹ 155.

**Movements in the number of options outstanding under the ESOP 2018 -I and weighted average exercise prices (WAEP) are as follows:**

Particulars	2023-24	2022-23
	Nos	Nos
Opening Outstanding	1,45,702	2,08,960
Granted During the year	-	-
Exercised	1,15,390	55,151
Forfeited	-	-
Lapsed	534	8,107
Closing Outstanding ESOPs	29,778	1,45,702
Vested Options as at the year end	29,778	1,45,702
Weighted average exercise price per share (₹)	155.00	155.00
Weighted Average remaining contractual life (No of years)	1.80	2.80

The fair value of options at the grant date used to compute share based payment charge in profit & loss account and earnings per equity share has been estimated using Black-Scholes model.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are: (a) risk-free interest rate: 7.03%-7.18% p.a.; (b) expected life: 4-6 years; (c) expected volatility: 17.9% to 19.33% and (d) dividend yield: 1.40% p.a. The weighted average fair value of the option, as on the date of grant works out to ₹ 43.94/- per option.

**Employee Stock Option Plan 2018 (ESOP-2018)-II**

During the financial year 2019-20 Company granted 23,22,132 ESOP at fair value. The exercise price of such ESOP on the date of grant is ₹ 250.30

**Movements in the number of options outstanding under the ESOP 2018 -II and weighted average exercise prices (WAEP) are as follows:**

Particulars	2023-24	2022-23
	Nos	Nos
Opening Outstanding	10,81,834	12,66,039
Granted During the year	-	-
Exercised	8,47,844	1,73,367
Forfeited	-	-
Lapsed	-	10,838
Closing Outstanding ESOPs	2,33,990	10,81,834
Vested Options as at the year end	2,33,990	10,81,834
Weighted average exercise price per share (₹)	250.30	250.30
Weighted Average remaining contractual life (No of years)	2.50	3.50

The fair value of options at the grant date used to compute share based payment charge in profit & loss account and earnings per equity share has been estimated using Black-Scholes model.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are: (a) risk-free interest rate: 6.14% p.a.; (b) expected life: 4.5 years; (c) expected volatility: 16.82% and (d) dividend yield of around : 1% p.a. The weighted average fair value of the option, as on the date of grant works out to ₹62.87/- per option.



**Employee Stock Option Plan 2018 (ESOP-2018)-III**

During the financial year 2020-21, Company granted 22,69,700 ESOP at fair value. The exercise price of such ESOP on the date of grant is ₹ 360.00

**Movements in the number of options outstanding under the ESOP 2018 -III and weighted average exercise prices (WAEP) are as follows:**

Particulars	2023-24	2022-23
	Nos	Nos
Opening Outstanding	13,96,712	15,28,048
Granted During the year	-	-
Exercised	8,27,852	1,09,447
Forfeited	-	-
Lapsed	26,972	21,889
Closing Outstanding ESOPs	5,41,888	13,96,712
Vested Options as at the year end	5,41,888	7,62,967
Weighted average exercise price per share (₹)	360.00	360.00
Weighted Average remaining contractual life (No of years)	3.34	4.34

The fair value of options at the grant date used to compute share based payment charge in profit & loss account and earnings per equity share has been estimated using Black-Scholes model.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are: (a) risk-free interest rate: 5.6% p.a.; (b) expected life: 4.5 years; (c) expected volatility: 21.30% and (d) dividend yield of around : 0.9% p.a. The weighted average fair value of the option, as on the date of grant works out to ₹ 95.39/- per option.

**Employee Stock Option Plan 2018 (ESOP-2018)-IV**

During the financial year 2021-22, Company granted 27,89,100 ESOP at fair value. The exercise price of such ESOP on the date of grant is ₹ 559.90

**Movements in the number of options outstanding under the ESOP 2018 -IV and weighted average exercise prices (WAEP) are as follows:**

Particulars	2023-24	2022-23
	Nos	Nos
Opening Outstanding	26,52,039	27,83,600
Granted During the year	-	-
Exercised	7,19,831	80,676
Forfeited	-	-
Lapsed	87,890	50,885
Closing Outstanding ESOPs	18,44,318	26,52,039
Vested Options as at the year end	9,54,504	8,24,882
Weighted average exercise price per share (₹)	559.90	559.90
Weighted Average remaining contractual life (No of years)	4.50	5.50

The fair value of options at the grant date used to compute share based payment charge in profit & loss account and earnings per equity share has been estimated using Black-Scholes model.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are: (a) risk-free interest rate: 5.69% p.a.; (b) expected life: 4.5 years; (c) expected volatility: 24.93% and (d) dividend yield of around : 0.83% p.a. The weighted average fair value of the option, as on the date of grant works out to ₹ 165.807/- per option.

**Employee Stock Option Plan 2018 (ESOP-2018)-V**

During the current year Company granted 8,31,000 ESOP at fair value. The exercise price of such ESOP on the date of grant is ₹ 727.70

**Movements in the number of options outstanding under the ESOP 2018 -V and weighted average exercise prices (WAEP) are as follows:**

Particulars	2023-24	2022-23
	Nos	Nos
Opening Outstanding	8,26,000	-
Granted During the year	-	8,31,000
Exercised	1,04,912	-
Forfeited	-	-
Lapsed	15,000	5,000
Closing Outstanding ESOPs	7,06,088	8,26,000
Vested Options as at the year end	1,62,718	-
Weighted average exercise price per share (₹)	727.70	727.70
Weighted Average remaining contractual life (No of years)	5.50	6.50



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The fair value of options at the grant date used to compute share based payment charge in profit & loss account and earnings per equity share has been estimated using Black-Scholes model.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are: (a) risk-free interest rate: 6.02% p.a.; (b) expected life: 4.5 years; (c) expected volatility: 27.2% and (d) dividend yield of around : 0.77% p.a. The weighted average fair value of the option, as on the date of grant works out to ₹ 223.227/- per option.

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes Model is the annualised standard deviation of the continuously compounded expected rates of return over a period of time.

**Employee Stock Option Plan 2018 (ESOP-2018)-VI**

During the current year Company granted 14,66,250( out of which 5,09,606 from Employees Welfare Trust ) ESOP at fair value. The exercise price of such ESOP on the date of grant is ₹ 859.50

**Movements in the number of options outstanding under the ESOP 2018 -VI and weighted average exercise prices (WAEP) are as follows:**

Particulars	2023-24
	Nos
Opening Outstanding	-
Granted During the year	14,66,250
Exercised	-
Forfeited	-
Lapsed	12,000
Closing Outstanding ESOPs	14,54,250
Vested Options as at the year end	-
Weighted average exercise price per share (₹)	859.50
Weighted Average remaining contractual life (No of years)	6.50

The fair value of options at the grant date used to compute share based payment charge in profit & loss account and earnings per equity share has been estimated using Black-Scholes model.

The key assumptions used in Black-Scholes model for calculating fair value as on the date of grant are: (a) risk-free interest rate: 6.9% to 7.00 %p.a.; (b) expected life: 4 to 6 5 years; (c) expected volatility: 23.8 % to 27.2% and (d) dividend yield of around : 0.60% p.a. The weighted average fair value of the option, as on the date of grant works out to ₹ 291.04/- per option.

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes Model is the annualised standard deviation of the continuously compounded expected rates of return over a period of time.

**Amount charged to Statement of Profit and Loss as ESOP expense:**

Particulars	(₹ In Lakhs)	
	31 Mar 2024	31 Mar 2023
ESOP expense charged to statement of profit and loss	2,787.81	2,897.49



29.Provisions

Movement in Provision for contingency is as under :

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Carrying amount as at the beginning of the year	420.00	420.00
Additions during the year *	1140.46	-
Utilised during the year	-	-
Reversed during the year	-	-
<b>Carrying amount as at the end of the year</b>	<b>1,560.46</b>	<b>420.00</b>

\* The company shall continue to contest the amount deposited under protest matters related to Securities Lending & Borrowing (SLB) transactions of schemes with GST authority. However the company has reviewed the entire issue, as an abundant caution and as a prudent approach the company has made provision for tax amount along with interest.

30.Dividend remittances to non-resident shareholders:\*

Particulars	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Number of non-resident shareholders	45	5.00
Number of equity shares held by them	18,50,39,494	18,50,05,890
Amount of final dividend paid (₹ In Lakhs)	-	-
Year to which dividend relates	-	-
Amount of interim dividend paid (₹ In Lakhs)	7,401.58	6,475.21
Year to which interim dividend relates	2023-24	2022-23

(\* On payment basis during the period)

31.Corporate Social Responsibility (CSR)

(₹ In Lakhs)

Particulars	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
<b>a) Gross amount required to be spent by the Company during the year (under Section 135 of the Companies Act, 2013)</b>	<b>2,787.57</b>	<b>2,156.90</b>
b) Amount of expenditure incurred	2,787.57	2,156.90
c) Shortfall at the end of the period/year	-	-
d) Reason for shortfall	-	-
e) Unutilised/ unspent CSR amount in separate CSR account	1,752.68	333.90
Amount yet to be spent	1,752.68	333.90
<b>Nature of CSR Activities</b>		
(i)Construction/ acquisition of any asset	80.82	-
On purposes other than (i) above	2,706.75	1,823.00
Purpose/ Nature of activities	Health, Education, PM Relief Fund,Medical and Livelihood enhancements	Health, Education, PM Relief Fund,Medical and Livelihood enhancements
<b>Total</b>	<b>2,787.57</b>	<b>2,156.90</b>

Details of related party transactions in relation to CSR expenditure as per the relevant accounting standard (Net of refund)

(₹ In Lakhs)

Particulars	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
SBI Foundation *	-	228.42

\* Refer Note 41 for related party transactions



### 32. Employee Benefit Plans

#### Defined Contributions Plan- Provident Fund, Superannuation Fund and National Pension Scheme

The Company has recognised the following amounts in the Statement of Profit and Loss, which are included under Contributions to Provident Fund, Superannuation Fund and National Pension Scheme:

Particulars	(₹ In Lakhs)	
	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Employer's Contribution to Provident Fund, Superannuation Fund and National Pension Scheme	1,177.21	1,119.53

#### Details of Provision for other employees benefits

Particulars	(₹ In Lakhs)	
	For the year ended 31 Mar 2024	For the year ended 31 Mar 2023
Provision for Leave encashment (based on actuarial valuation)	214.07	163.02
Provision for Long service reward (based on actuarial valuation)	145.63	-
Provision for Retirement Gift (based on actuarial valuation)	43.30	-

#### Defined benefit plan - Gratuity

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is for employees, which requires contributions to be made to a separately administered fund (through insurer managed scheme). The fund has the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the Investment strategy. The contribution is guided by rule 103 of Income tax rules 1962.

Employee benefits relating to employees at foreign offices are valued and accounted for as per their respective local laws .

#### Risks associated with defined benefit plan

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

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

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

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

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

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

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

Gratuity is taken care by separate trust fund and contribution is guided by rule 103 of Income tax rules 1962.



**Assumptions (Current Period)**

Particulars	Valuation as at	
	31 Mar 2024	31 Mar 2023
Expected Return on Plan Assets	7.23%	7.48%
Rate of Discounting	7.23%	7.48%
Rate of Salary Increase	9.00% p.a. for the next 3 years, 6.00% p.a. thereafter, starting from the 4th year	9.00% p.a. for the next 3 years, 6.00% p.a. thereafter, starting from the 4th year
Rate of Employee Turnover	11% & 4%	3.00% p.a. for all service groups.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

**Assumptions (Previous Period)**

Particulars	Valuation as at	
	31 Mar 2023	31 Mar 2022
Expected Return on Plan Assets	7.48%	7.27%
Rate of Discounting	7.48%	7.27%
Rate of Salary Increase	9.00% p.a. for the next 3 years, 6.00% p.a. thereafter, starting from the 4th year	9.00% p.a. for the next 3 years, 6.00% p.a. thereafter, starting from the 4th year
Rate of Employee Turnover	3.00% p.a. for all service groups.	3.00% p.a. for all service groups.
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)



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**Table Showing Change in the Present Value of Defined Benefit Obligation**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
<b>Present Value of Benefit Obligation at the beginning</b>	<b>2,545.39</b>	<b>2,353.64</b>
Interest Cost	190.40	171.11
Current Service Cost	241.47	225.49
Past Service Cost	848.24	-
(Benefit Paid From the Fund)	(198.95)	(190.41)
The Effect Of Changes in Foreign Exchange Rates	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(6.87)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	150.04	(5.82)
Actuarial (Gains)/Losses on Obligations - Due to Experience adjustments	(53.86)	(8.62)
<b>Present Value of Benefit Obligation at the end</b>	<b>3,715.86</b>	<b>2,545.39</b>

**Table Showing Change in the Fair Value of Plan Assets**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
<b>Fair Value of Plan Assets at the beginning</b>	<b>2,274.86</b>	<b>2,163.48</b>
Interest Income	170.16	157.29
Contributions by the Employer	1,363.80	162.32
(Benefit Paid from the Fund)	(198.95)	(190.41)
Return on Plan Assets, Excluding Interest Income	4.94	(17.82)
<b>Fair Value of Plan Assets at the end</b>	<b>3,614.81</b>	<b>2,274.86</b>

**Amount Recognized in the Balance Sheet**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
(Present Value of Benefit Obligation at the end of the Period)	(3,715.86)	(2,545.39)
Fair Value of Plan Assets at the end of the Period	3,614.81	2,274.86
Funded Status (Surplus/ (Deficit))	(101.05)	(270.53)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(101.05)</b>	<b>(270.53)</b>

**Net Interest Cost**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Present Value of Benefit Obligation at the Beginning of the Period	2,545.39	2,353.64
(Fair Value of Plan Assets at the Beginning of the Period)	(2,274.86)	(2,163.48)
Net Liability/(Asset) at the Beginning	270.53	190.16
Interest Cost	190.40	171.11
(Interest Income)	(170.16)	(157.29)
<b>Net Interest Cost</b>	<b>20.24</b>	<b>13.82</b>



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**Expenses recognised in the Statement of Profit or Loss**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Current Service Cost	241.47	225.49
Net Interest Cost	20.24	13.82
Past Service Cost	848.23	-
<b>Expenses recognised</b>	<b>1,109.94</b>	<b>239.31</b>

**Expenses recognised in the Other Comprehensive Income (OCI)**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Actuarial (Gains)/Losses on Obligation For the Period	89.31	(14.44)
Return on Plan Assets, Excluding Interest Income	(4.94)	17.82
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>84.37</b>	<b>3.38</b>

**Balance Sheet Reconciliation**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
<b>Opening Net Liability</b>	<b>270.53</b>	<b>190.16</b>
Expenses Recognized in Statement of Profit or Loss	1,109.94	239.31
Expenses Recognized in OCI (Employer's Contribution)	84.37 (1,363.80)	3.38 (162.32)
<b>Closing liability/(asset)</b>	<b>101.04</b>	<b>270.53</b>

**Category of Assets**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Government of India Assets	-	-
State Government Securities	-	-
Special Deposits Scheme	-	-
Debt Instruments	-	-
Corporate Bonds	-	-
Cash And Cash Equivalent	-	-
Insurance fund	3,614.81	2,274.86
Asset-Backed Securities	-	-
Structured Debt	-	-
Other	-	-
<b>Total</b>	<b>3,614.81</b>	<b>2,274.86</b>

**Other Details**

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
No of Members in Service	1,395.00	1,332.00
Per Month Salary For Members in Service (₹ In Lakhs)	721.61	656.27
Weighted Average Duration of the Defined Benefit Obligation	9.00	10.00
Average Expected Future Service	12.00	15.00
Defined Benefit Obligation (DBO) - Total (₹ In Lakhs)	3,715.86	2,545.39
Defined Benefit Obligation (DBO) - Due but Not Paid	-	-
Expected Contribution in the Next Year (₹ In Lakhs)	437.46	512.01



**Maturity Analysis of the Benefit Payments**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
<b>Projected Benefits Payable in Future Years From the Date of Reporting :</b>		
1st Following Year	280.81	170.65
2nd Following Year	212.19	114.55
3rd Following Year	296.21	170.19
4th Following Year	204.24	220.69
5th Following Year	264.13	134.86
Sum of Years 6 To 10	1,895.75	1,129.75
Sum of Years 11 and above	4,071.70	3,672.66

**Sensitivity Analysis**

(₹ In Lakhs)

Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
<b>Projected Benefit Obligation on Current Assumptions</b>	<b>3,715.86</b>	<b>2,545.40</b>
Delta Effect of +1% Change in Rate of Discounting	(267.07)	(206.27)
Delta Effect of -1% Change in Rate of Discounting	302.83	236.89
Delta Effect of +1% Change in Rate of Salary Increase	300.81	164.52
Delta Effect of -1% Change in Rate of Salary Increase	(270.08)	(156.24)
Delta Effect of +1% Change in Rate of Employee Turnover	14.50	39.52
Delta Effect of -1% Change in Rate of Employee Turnover	(16.86)	44.28

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

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

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

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



### 33. Details of Subsidiary

Details of the Company's subsidiaries at the end of the reporting period are as follows.

Name of subsidiary	Principal activity	Place of incorporation and operation	Proportion of ownership, interest and voting power held by the company	
			31 Mar 2024	31 Mar 2023
SBI Funds Management (International) Pvt Ltd	Investment Management Services	Mauritius	100%	100%

### 34. Details of Associate

A. Details of Company's Associate as at the end of the reporting period are as follows :

Name of Associate	Country of Incorporation	Proportion of ownership interest	
		31 Mar 2024	31 Mar 2023
SBI Pension Funds Private Limited	India	20%	20%

#### B. Summarised financial information of associate

Summarised financial information of material associate :

Summarised financial information in respect of the Company's associate is set out below. The summarised financial information below represents amounts shown in the associate's financial statements.

(₹ In Lakhs)

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Financial Assets	21,448.99	15,260.31
Non Financial Assets	1,318.48	1,542.58
Financial Liabilities	1,082.54	1,411.06
Non Financial Liabilities	482.99	432.26

(₹ In Lakhs)

Particulars	For the Year ended 31 Mar 2024	For the Year ended 31 Mar 2023
Revenue	16,347.08	13,506.59
Profit /(loss) from continuing operations	6,276.12	5,350.56
Post-tax profit (loss) from discontinued operations	-	-
Profit /(loss) for the year	6,276.12	5,350.56
Other comprehensive income for the year	(33.75)	-
Total comprehensive income for the year	6,242.37	5,350.56
Dividends received from the associate during the year	-	-

Reconciliation of the above summarised financial information to the carrying amount of the interest in SBI Pension Funds Private Limited

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Net worth of SBI Pension Funds Private Limited (₹ In Lakhs)	21,201.94	14,959.57
Proportion of the Company's ownership interest in SBI Pension Funds Private Limited	20%	20%
Goodwill (₹ In Lakhs)	15.04	15.04
Other adjustments	-	-
<b>Company's interest in SBI Pension Funds Private Limited (₹ In Lakhs)</b>	<b>4,255.43</b>	<b>3,006.95</b>



### 35. Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the Company and assess the performance of the operating segments of the Company.

The Company is in the business of providing asset management services to the SBI Mutual Fund and portfolio management/ advisory service to clients. As such the company's financial statements are largely reflective of the assets management business and there is no separate reportable segment. All assets of the Company are domiciled in India.

There is only one customer contributing in excess of 10% of the total revenue of the Company.

The amounts for the same are as follows:

(₹ In Lakhs)

Particulars	31 Mar 2024	31 Mar 2023
Revenue from SBI Mutual Fund (Schemes)	2,59,237.76	2,09,808.03



36. Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to their maturity profile.

(₹ In Lakhs)

Particulars	As at 31 Mar 2024			As at 31 Mar 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>ASSETS</b>						
<b>(1) Financial Assets</b>						
(a) Cash & Cash equivalents	215.54	-	215.54	31.64	-	31.64
(b) Bank Balance other than (a) above	3,012.52	2,459.17	5,471.69	2,908.10	-	2,908.10
(c) Receivables						
(i) Trade Receivables	10,697.72	-	10,697.72	5,600.34	-	5,600.34
(d) Loans	10.56	4,513.15	4,523.71	14.73	4,173.74	4,188.47
(e) Investments	10,737.57	6,50,153.75	6,60,891.32	13,263.49	4,45,246.83	4,58,510.32
(f) Other Financial assets	118.69	690.38	809.07	218.83	637.67	856.50
<b>Sub-total - Financial Assets</b>	<b>24,792.60</b>	<b>6,57,816.45</b>	<b>6,82,609.05</b>	<b>22,037.13</b>	<b>4,50,058.24</b>	<b>4,72,095.37</b>
<b>(2) Non Financial Assets</b>						
(a) Current Tax assets ( Net)	-	104.67	104.67	-	2,196.59	2,196.59
(b) Property, Plant and Equipment	-	25,100.12	25,100.12	-	22,728.61	22,728.61
(c) Intangible Asset Under Development	-	-	-	-	187.90	187.90
(d) Other Intangible assets	-	593.06	593.06	-	420.11	420.11
(e) Other Non- financial assets	1,777.86	1,128.71	2,906.57	1,923.51	360.45	2,283.96
<b>Sub-total - Non Financial Assets</b>	<b>1,777.86</b>	<b>26,926.56</b>	<b>28,704.42</b>	<b>1,923.51</b>	<b>25,893.66</b>	<b>27,817.17</b>
<b>Total Assets</b>	<b>26,570.46</b>	<b>6,84,743.01</b>	<b>7,11,313.47</b>	<b>23,960.64</b>	<b>4,75,951.90</b>	<b>4,99,912.54</b>
<b>LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
(a) Trade Payables						
(i) Total outstanding dues of micro enterprises and small enterprises	54.29	-	54.29	4.83	-	4.83
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,788.97	-	1,788.97	1,352.73	-	1,352.73
(b) Other financial liabilities	4,002.71	8,946.31	12,949.02	2,016.65	6,857.10	8,873.75
<b>Sub-total - Financial Liabilities</b>	<b>5,845.97</b>	<b>8,946.31</b>	<b>14,792.28</b>	<b>3,374.21</b>	<b>6,857.10</b>	<b>10,231.31</b>
<b>(2) Non Financial Liabilities</b>						
(a) Provision	8,638.75	4,381.05	13,019.80	8,103.32	2,942.40	11,045.72
(b) Other non-financial liabilities	552.97	-	552.97	769.28	-	769.28
(c) Deferred tax liabilities (Net)	-	7,257.93	7,257.93	-	1,020.38	1,020.38
<b>Sub-total - Non Financial Liabilities</b>	<b>9,191.72</b>	<b>11,638.98</b>	<b>20,830.70</b>	<b>8,872.60</b>	<b>3,962.78</b>	<b>12,835.38</b>
<b>Total Liabilities</b>	<b>15,037.69</b>	<b>20,585.29</b>	<b>35,622.98</b>	<b>12,246.81</b>	<b>10,819.88</b>	<b>23,066.69</b>



**SBI FUNDS MANAGEMENT LIMITED**  
**Notes to the Financial Statements**

**37. Revenue**

(₹ In Lakhs)

Note No.	Particulars	Year ended 31 Mar 2024	Year ended 31 Mar 2023
1	Details of revenue from Schemes pursuant to investment management agreement and contracts with customers recognised by the Company, net of indirect taxes in its statement of Profit and loss.		
	<b><u>Revenue from operations</u></b>		
	• Management Fees	2,60,240.72	2,10,360.77
	• Portfolio Management & Other Advisory Fees	8,037.73	5,196.52
	<b>Total</b>	<b><u>2,68,278.45</u></b>	<b><u>2,15,557.29</u></b>
2	<b>Disaggregate Revenue</b>		
	The table below presents disaggregated revenues of the Company from schemes of mutual fund and from contracts with customers by geography . The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.		
	<b><u>Revenue based on geography</u></b>		
	• In India	2,64,147.88	2,13,346.76
	• Outside India	4,130.57	2,210.53
	<b>Total</b>	<b><u>2,68,278.45</u></b>	<b><u>2,15,557.29</u></b>



38. Financial Instruments

A. Fair value measurements

(₹ In Lakhs)

As at 31 Mar 2024	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>							
Cash & Cash equivalents #	-	215.54	215.54	-	-	-	-
Other Bank Balances #	-	5,471.69	5,471.69	-	-	-	-
Trade Receivables #	-	10,697.72	10,697.72	-	-	-	-
Loan	-	4,523.71	4,523.71	-	-	-	-
<b>Investments (excluding investment in Subsidiary and Associates)</b>							
- Mutual funds	4,46,849.98	-	4,46,849.98	4,46,849.98	-	-	4,46,849.98
- Alternative investment funds	6,756.35	-	6,756.35	-	-	6,756.35	6,756.35
- Debt securities	-	2,04,668.79	2,04,668.79	-	2,06,258.12	-	2,06,258.12
- Equity investments	1,988.30	-	1,988.30	-	-	1,988.30	1,988.30
- Preference Shares	-	23.11	23.11	-	23.11	-	23.11
Other Financial Assets #	-	809.07	809.07	-	-	-	-
<b>Total</b>	<b>4,55,594.63</b>	<b>2,26,409.63</b>	<b>6,82,004.26</b>	<b>4,46,849.98</b>	<b>2,06,281.23</b>	<b>8,744.65</b>	<b>6,61,875.86</b>
<b>Financial Liabilities</b>							
Trade payables #	-	1,843.26	1,843.26	-	-	-	-
Other Financial Liabilities #	-	12,949.02	12,949.02	-	-	-	-
<b>Total</b>	<b>-</b>	<b>14,792.28</b>	<b>14,792.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Valuation inputs and relationship to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurement.

Financial instruments	Significant unobservable inputs	Probability weights/ range	Sensitivity of inputs to fair value measurement
Alternative Investment Funds	Net Asset Value (NAV)	0.90X -1.10X	A 10% increase in the NAV would increase the carrying value of investment by ₹ 675.64 Lakhs. A 10% decrease in the NAV would decrease the carrying value of investment by ₹ 675.64 Lakhs.

Fair Value Measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

(₹ In Lakhs)

Particulars	Debt Securities	Alternative Investment Funds	Equity share in Others
Opening balance	-	3,861.56	2,020.41
Net gain/(losses) on Financial Instruments recognised in the Statement of Profit and Loss	-	400.56	(32.11)
Purchases of financial instruments	-	4,190.51	-
Sale of financial instruments	-	(1,696.29)	-
<b>Closing balance</b>	<b>-</b>	<b>6,756.34</b>	<b>1,988.30</b>

As at 31 Mar 2023	Carrying Amount			Fair Value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>							
Cash & Cash equivalents #	-	31.64	31.64	-	-	-	-
Other Bank Balances #	-	2,908.10	2,908.10	-	-	-	-
Trade Receivables #	-	5,600.34	5,600.34	-	-	-	-
Loan	-	4,194.36	4,194.36	-	-	-	-
<b>Investments (excluding investment in Subsidiary and Associates)</b>							
- Mutual funds	2,73,985.85	-	2,73,985.85	2,73,985.85	-	-	2,73,985.85
- Alternative investment funds	3,861.57	-	3,861.57	-	-	3,861.57	3,861.57
- Debt securities	-	1,78,014.33	1,78,014.33	-	1,78,261.34	-	1,78,261.34
- Equity investments	2,020.41	-	2,020.41	-	-	2,020.41	2,020.41
- Preference Shares	-	23.37	23.37	-	23.37	-	23.37
Other Financial Assets #	-	843.17	843.17	-	-	-	-
<b>Total</b>	<b>2,79,867.83</b>	<b>1,91,615.31</b>	<b>4,71,483.14</b>	<b>2,73,985.85</b>	<b>1,78,284.71</b>	<b>5,881.98</b>	<b>4,58,152.54</b>
<b>Financial Liabilities</b>							
Trade payables #	-	1,357.56	1,357.56	-	-	-	-
Other Financial Liabilities #	-	8,873.75	8,873.75	-	-	-	-
<b>Total</b>	<b>-</b>	<b>10,231.31</b>	<b>10,231.31</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Valuation inputs and relationship to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurement.

Financial instruments	Significant unobservable inputs	Probability weights/ range	Sensitivity of inputs to fair value measurement
Alternative Investment Funds	Net Asset Value (NAV)	0.90X -1.10X	A 10% increase in the NAV would increase the carrying value of investment by ₹ 386.16 Lakhs. A 10% decrease in the NAV would decrease the carrying value of investment by ₹ 386.16 Lakhs.



**Fair Value Measurement using significant unobservable inputs (level 3)**

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

Particulars	(₹ In Lakhs)		
	Debt Securities	Alternative Investment Funds	Equity share in Others
Opening balance	-	2,098.94	2,001.07
Net gain/(losses) on Financial Instruments recognised in the Statement of Profit and Loss		(70.99)	19.34
Purchases of financial instruments		2,201.70	-
Sale of financial instruments		(368.09)	-
<b>Closing balance</b>	-	<b>3,861.56</b>	<b>2,020.41</b>

# Fair value of cash and cash equivalents, bank balances, trade & other receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

For the purpose of disclosure, price provided by valuation agency is considered as the fair value of financial assets that are measured at amortised cost.

The hierarchy used is as follows:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The valuation techniques used to determine the Fair Valuation of financial instruments are described below :

Financial instruments	Valuation techniques
Mutual Funds/ AIF Investments	On the basis of latest NAV/Market price available
Debt Securities / Preference Shares	The price provided by valuation agency is considered as the fair value of financial assets
Equity Investments	Break up value as per the latest audited financial statements

In order to assess Level 3 valuations, the management reviews the performance of the alternative investment funds on a regular basis by tracking their latest available financial statements/financial information, valuation report of independent valuers, recent transaction results etc. which are considered in valuation process.

**B. Financial Risk Management**

The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The purpose of risk management is to identify potential problems before they occur, so that risk-handling activities may be planned and invoked as needed to manage adverse impacts on achieving objectives. Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments other than those with carrying amounts that are reasonable approximations of fair value.

The different types of risks the company is exposed to arising from Financial Instruments are as follows:

Exposure arising from	Risk
Cash and cash equivalents, trade & other receivables, financial assets measured at amortised cost	Credit Risk
Financial liabilities	Liquidity Risk
Recognised financial assets not denominated in ₹	Market Risk - Foreign Exchange Risk
Investments in debt securities / preference shares	Market Risk - Interest Rate Risk
Investments in equity securities, units of mutual funds, alternative investment funds, measured at FVTPL	Market Risk - Price Risk

**1. Liquidity Risk**

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms.

To limit this risk, management has adopted a policy of managing assets with due consideration to liquidity and monitoring future cash flows and liquidity on a regular basis. The Company has developed internal control processes for managing liquidity risk. The Company maintains sufficient bank balance and highly marketable securities such as liquid/ultra-short duration and other debt funds. The Company assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company.

The tables below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at 31 Mar 2024

(₹ In Lakhs)

Particulars	Carrying Amount	Contractual Cash Flow		
		Total	Up to 1 year	More than 1 year
<b>Financial Liabilities</b>				
- Trade Payables	1,843.26	1,843.26	1,843.26	-
- Lease liabilities	11,161.99	13,471.14	2,935.13	10,536.01
- Other financial liabilities	1,787.03	1,787.03	1,787.03	-

As at 31 Mar 2023

Particulars	Carrying Amount	Contractual Cash Flow		
		Total	Up to 1 year	More than 1 year
<b>Financial Liabilities</b>				
- Trade Payables	1,357.56	1,357.56	1,357.56	-
- Lease liabilities	8,392.67	10,267.28	2,041.53	8,225.75
- Other financial liabilities	481.08	481.08	481.08	-



## 2. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade and other receivables, cash and cash equivalents, and financial assets measured at amortised cost. Exposure to credit risk is mitigated through regular monitoring of collections and counterparty's credit worthiness and diversification in exposure. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The company has well defined investment policy restricting investments in various risk categories such as high/moderate etc.

### Exposure to credit risk

The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalent, bank balance, trade and other receivables and financial assets measured at amortised cost.

Particulars	₹ In Lakhs)	
	31 Mar 2024	31 Mar 2023
Maximum Exposure to Credit Risk	1,05,166.63	80,755.75

Further, Refer Note 3 for trade receivables ageing analysis schedule.

### Expected Credit Loss (ECL) on Financial Assets

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

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

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

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. The Company has determined based on historical experience and expectations that the ECL on its trade receivables is insignificant and was not recorded. At every reporting date, these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

The Company has three types of financial assets that are subject to the expected credit loss:

- Cash and Cash equivalent
- Trade & other receivables
- Investment in debt securities measured at amortised cost

### Trade and Other Receivables

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Company has a contractual right to such receivables as well as control over preponderant amount of such funds due from customers, the Company does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 1 year (mainly dues from GOI/ GOI undertakings /PSUs) are still collectible in full, based on historical payment behaviour.

### Cash and Cash Equivalents

The Company holds cash and cash equivalents and other bank balances as per note 2 and 3. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

### Investment in Debt Securities measured at amortised cost

The Company avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. Investment in debt securities being at amortised cost include (i) G sec Strips which do not carry any risk being sovereign in nature and (ii) bonds of highly rated public sector banks. Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis.



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**3. Market Risk:**

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to Price risk, Currency risk, and Interest rate risk.

**i. Price risk management:**

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, whether caused by factors specific to an individual investment, its issuer or the market.

The Company's exposure to price risk arises from investments in equity securities, debt securities, units of mutual funds, and alternative investment funds which are classified as financial assets at Fair Value Through Profit and Loss. The following is the Company's exposure to price risk:

(₹ In Lakhs)

Particulars	31 Mar 2024	31 Mar 2023
Investment exposure to price risk	4,55,594.63	2,79,867.83

To manage its price risk from investments in equity securities, debt securities, units of mutual funds, and alternative investment funds, the Company diversifies its portfolio.

**Price sensitivity analysis:**

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices/ market value by 5% :

(₹ In Lakhs)

Particulars	31 Mar 2024	31 Mar 2023
Effect on Profit or Loss		
5% decrease in prices	(22,779.73)	(13,993.39)
5% increase in prices	22,779.73	13,993.39

**ii. Foreign currency risk management:**

Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency (₹) of the Company. The company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

(₹ In Lakhs)

Currency	Liabilities		Assets	
	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2024	As at 31 Mar 2023
AED	-	-	18.39	15.03
USD	17.06	-	730.63	283.88
BHD	13.59	13.16	-	-
AUD	-	-	11.81	4.59
JPY	-	-	243.60	91.67
SGD	-	-	530.10	102.89
EURO	-	-	129.35	105.57



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**Notes to the Financial Statements**

**Foreign currency sensitivity analysis:**

The following table details the Company's sensitivity to a 10% increase and decrease in ₹ against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(₹ In Lakhs)

Currency	Impact on profit or loss for the year		Impact on total equity as at the end of the reporting period	
	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2024	As at 31 Mar 2023
AED Currency impact	1.84	1.50	1.38	1.12
USD Currency impact	71.36	28.39	53.40	21.24
BHD Currency impact	(1.36)	(1.32)	(1.02)	(0.98)
AUD Currency impact	1.18	0.46	0.88	0.34
JPY Currency impact	24.36	9.17	18.23	6.86
SGD Currency impact	53.01	10.29	39.67	7.70
EURO Currency impact	12.94	10.56	9.68	7.90

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year and considering the size of business and size of exposure in Foreign currency is immaterial.

**iii. Interest rate risk management:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments are primarily in fixed rate interest instruments. Accordingly, the exposure to interest rate risk is insignificant.

**39. Capital management :**

The Company's capital management strategy is to effectively determine, raise and deploy capital so as to create and maximise value for its shareholders. The same is done through equity. The funding requirements are met through operating cash flows and other equity. The management monitors the return on capital and the board of directors monitors the level of dividends paid to shareholders of the Company. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.



**40. Leases (As a lessee)**

**(i) Amounts recognised in the balance sheet**

The following shows the changes to carrying value relating to right-to-use assets:

(₹ In Lakhs)

Particulars	31 Mar 2024	31 Mar 2023
<b>Opening balance of Right-of-use assets</b>	<b>7,531.61</b>	<b>6,638.52</b>
Add: Additions during the year	5,122.39	3,134.79
Less: Deletion during the year	(175.48)	(214.33)
Less: Depreciation during the year	(2,485.42)	(2,027.37)
Add/Less: Adjustment of exchange fluctuations	11.67	-
<b>Closing balance of Right-of-use assets</b>	<b>10,004.77</b>	<b>7,531.61</b>

The following shows the movement to lease liabilities during the year:

Particulars	31 Mar 2024	31 Mar 2023
<b>Balance at the beginning</b>	<b>8,392.67</b>	<b>7,342.66</b>
Add: New Lease arrangements	5,122.39	3,134.79
Less: Deletion	(203.23)	(243.29)
Add/Less: Adjustment of exchange fluctuations	12.37	-
Add: Finance cost accrued	771.06	525.46
Less: Payment of Lease liabilities	(2,933.27)	(2,366.95)
<b>Balance at the end</b>	<b>11,161.99</b>	<b>8,392.67</b>

The following is the break up of current and non-current lease liabilities

Particulars	31 Mar 2024	31 Mar 2023
Current	2,246.20	1,535.57
Non-current	8,915.79	6,857.10
<b>Total</b>	<b>11,161.99</b>	<b>8,392.67</b>

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

Particulars	31 Mar 2024	31 Mar 2023
Less than one year	2,935.13	2,041.53
One to five years	8,181.68	5,944.45
More than five years	2,354.33	2,281.30
<b>Total</b>	<b>13,471.14</b>	<b>10,267.28</b>



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**(ii) Amounts recognised in the statement of profit or loss**

The statement of profit or loss shows the following amounts relating to leases:

(₹ In Lakhs)

Particulars	31 Mar 2024	31 Mar 2023
Depreciation charge on right-of-use assets	2,485.42	2,027.37
Interest expense (included in finance cost)	771.06	525.46
Expense relating to short-term leases (included administrative expenses)	118.03	102.93
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in administrative expenses)	-	-
Expense relating to variable lease payments not included in lease liabilities (included in administrative expenses)	-	-
Rent concession	-	-



**41. Related Party Disclosure:**

(i) List of related parties with whom transactions have taken place during the year :

<b>Holding Company</b>	State Bank of India (SBI) holds 62.21% of the share capital
<b>Enterprise having significant influence</b>	Amundi India Holding, a wholly owned subsidiary of Amundi holds 36.54% of the share capital
<b>Subsidiary</b>	SBI Funds Management (International) Private Limited (100% subsidiary)
<b>Controlled Trust</b>	SBI Funds Management Employee Welfare Trust
<b>Associates</b>	SBI Pension Funds Private Limited
<b>Other Related Party</b>	C Edge Technologies Ltd (Joint Venture of State Bank of India) The Clearing Corporation of India Limited Yes Bank AMC Repo Clearing Ltd. <b>RRBs:-</b> Arunachal Pradesh Rural Bank Ellaquai Dehati Bank Mizoram Rural Bank Nagaland Rural Bank Rajasthan Marudhara Gramin Bank Saurashtra Gramin Bank Uttarakhand Gramin Bank Chhattisgarh Rajya Gramin Bank Jharkhand Rajya Gramin Bank Meghalaya Rural Bank Telangana Grameena Bank Utkal Grameen Bank Andhra Pradesh Grameena Vikas Bank Madhyanchal Gramin Bank (Associates of State Bank of India)
<b>Directors</b>	Mr. Shamsheer Singh (Managing Director & Chief Executive Officer) Mr. Vinay M. Tonse (Managing Director & Chief Executive Officer) upto December 5, 2022  Mr. Denys de Campigneulle (Deputy Chief Executive Officer/Alternate Director)  Mr. Dinesh Kumar Khara (Chairman) Mr. Fathi Jerfel (Associate Director) Mr. Jean Yves Glain (Associate Director) upto December 09, 2022 Mr. C. N. Ram (Independent Director)  Mr. Om Prakash Gahotra (Independent Director) upto October 21, 2022 Mr. Moiz Miyajiwala (Independent Director) Mrs. Sudha Krishnan (Independent Director) Mr. Shekhar Bhatnagar (Independent Director)  Mr. T.T. Ram Mohan (Independent Director) from December 05, 2022 Mr. Swaminathan Janakiraman (Associate Director) upto June 26, 2023 Mr. Vinay Tonse (Associate Director) from September 15, 2023 to November 20, 2023  Mr. Julien Fontaine (Associate Director) from June 02, 2023 to January 10, 2024 Mr. Ashwini Kumar Tewari (Associate Director) from January 10, 2024 Mr. Olivier Mariee (Associate Director) from January 20, 2024
<b>Key Managerial Personnel</b>	Mr. Shamsheer Singh (Managing Director & Chief Executive Officer) from December 6, 2022 Mr. D. P. Singh (Deputy Managing Director and Joint Chief Executive Officer) from September 26, 2023 Mr. Inderjeet Ghuliani (Chief Financial Officer) Ms. Vinaya Datar (Chief Compliance Officer & Company Secretary)
<b>Other Related parties:-</b>	
i) Fellow Subsidiaries	SBI Life Insurance Company Limited SBI General Insurance Limited SBI Mutual Fund Trustee Company Private Limited SBI-SG Global Securities Services Private Limited SBICAP Securities Limited SBI Capital Markets Limited SBI Foundation SBI CAP Trustee Company Limited SBI DFHI Limited SBI CDMDF Trustee Pvt. Ltd.
ii) Enterprise under common control	<u>Subsidiary/Associates of Amundi:</u> Amundi Singapore Limited (100%) Amundi Hong Kong Limited (100%) Amundi Asset Management, Paris (100%) Amundi UK Ltd. (100%) NH-Amundi Asset Management Co. Ltd. (30%)



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i) Details of transactions with Related Parties during the year 2023-24

(₹ In Lakhs)

Particulars	Holding Company (State Bank of India)	Enterprise Having Significant Influence *	Fellow Subsidiaries *	Enterprise under Common control *	Director/ Relative *	Subsidiary *	Others *	Associates *
<b>Income</b>								
PMS Advisory & Other fees	165.31	-	-	2,228.20	-	-	472.01	-
Interest Income	202.00	-	-	-	-	299.85	-	-
Recovery of Admin Expenses	-	-	31.50	-	-	-	-	-
Dividend Received	-	-	-	-	-	415.33	-	-
<b>Expenses</b>								
Fund Accounting and Custodial Charges	-	-	2,689.91	-	-	-	-	-
Rent paid/( Recovered)	34.25	-	-	-	-	-	-	-
Brokerage - PMS & AIF	298.94	-	-	-	-	-	0.94	-
Demat Charges & Brokerage	-	-	0.02	-	-	-	-	-
Bank charges	26.08	-	-	-	-	-	-	-
Royalty	2,662.39	-	-	-	-	-	-	-
Processing Fee	55.00	-	-	-	-	-	-	-
Electricity/Generator Charges	-	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-
Business Promotion	69.16	-	-	-	-	-	-	-
Training	4.07	-	-	-	-	-	-	-
Scheme Related Expenses	-	-	0.30	-	-	-	-	-
Reimbursement of Expenses	-	-	20.99	-	-	-	-	-
Membership Admission Fees	-	-	-	-	-	-	0.50	-
Transaction charges	-	-	-	-	-	-	50.68	-
Software Support	-	-	-	-	-	-	28.68	-
Insurance Premium	-	-	672.97	-	-	-	-	-
Reimbursement of salaries of deputed employees from Banks	319.84	-	-	-	-	-	35.29	-
Sitting Fees	-	-	-	-	64.60	-	-	-
Remuneration to Deputy Chief Executive Officer	-	-	-	-	118.25	-	-	-
<b>Other Transactions</b>								
Recovery of Expenses/Statutory dues paid	-	-	7.13	-	-	37.36	-	-
Interim Dividend Paid	12,600.00	7,400.00	-	-	-	20.69	-	-
Recovery of salaries of deputed employees to SBI	34.60	-	-	-	-	-	-	-
Loan	-	-	-	-	-	67.80	-	-

Balances Outstanding as at 31 Mar 2024

Receivable/(Payable)	40.75	-	(182.30)	603.51	-	4,505.12	137.86	-
Balance in Current Accounts	1,963.89	-	-	-	-	-	-	-
Term Deposit	3,706.16	-	-	-	-	-	-	-

(\* Refer Annexure)

**Remuneration to Key Managerial Personnel**

The remuneration of key management personnel during the year was as follows:

Particulars	₹ In Lakhs	
	2023-24	
i. Short Term Benefits	480.89	
ii. Post Employment Benefits	-	
iii. Other long term benefits	-	
iv. Share based payments	1,388.86	
v. Termination Benefits	-	

**Note:**

- (i) Banking/Credit Card transactions in normal course of business with related parties have not been considered.  
(ii) All transactions with related parties are in normal course of business



i) Details of transactions with Related Parties during the year 2022-23

(₹ In Lakhs)

Particulars	Holding Company (State Bank of India)	Enterprise Having Significant Influence *	Fellow Subsidiaries *	Enterprise under Common control *	Director/Relative *	Subsidiary *	Others *	Associates *
<b>Income</b>								
PMS Advisory & Other fees	144.61	-	-	1,528.62	-	-	452.48	-
Interest Income	139.29	-	-	-	-	6.54	-	-
Recovery of Admin Expenses	-	-	30.00	-	-	-	-	-
Dividend Received	-	-	-	-	-	547.96	-	-
Rent Recovered	-	-	2.03	-	-	-	-	-
<b>Expenses</b>								
Fund Accounting and Custodial Charges	-	-	2,346.19	-	-	-	-	-
Rent paid	48.40	-	-	-	-	-	-	-
Brokerage - PMS & AIF	295.68	-	-	-	-	-	-	-
Demat Charges & Brokerage	-	-	4.87	-	-	-	-	-
CSR Activities (#)	-	-	228.42	-	-	-	-	-
Data Processing charges & Scheme related expenses	-	-	-	-	-	-	-	-
Bank charges	24.69	-	-	-	-	-	-	-
Royalty	2,141.30	-	-	-	-	-	-	-
Processing Fee	-	-	-	-	-	-	-	-
Electricity/Generator Charges	0.32	-	-	-	-	-	-	-
Repairs & Maintenance	-	-	-	-	-	-	-	-
Business Promotion	60.12	-	-	-	-	-	-	-
Training	9.16	-	-	-	-	-	-	-
Scheme Related Expenses	-	-	0.30	-	-	-	-	-
Reimbursement of expenses	28.90	-	-	-	-	-	-	-
Transaction charges	-	-	-	-	-	-	60.94	-
Software Support	-	-	-	-	-	-	33.83	-
Initial settlement amount	-	-	-	-	-	0.10	-	-
Insurance Premium	-	-	584.23	-	-	-	-	-
Sitting Fees	-	-	-	-	45.20	-	-	-
Remuneration to Deputy Chief Executive Officer	-	-	-	-	102.36	-	-	-
Reimbursement of salaries of deputed employees from SBI	305.56	-	-	-	-	-	-	-
<b>Other Transactions</b>								
Purchase of 8.07% Andhra Pradesh SDL 2036	-	-	5,029.24	-	-	-	-	-
Recovery of Expenses	-	-	0.13	-	-	-	-	-
Recovery of salaries of deputed employees to SBI	123.29	-	-	-	-	-	-	-
Interim Dividend Paid	11,025.00	6,475.00	-	-	-	17.84	-	-

**Balances Outstanding as at 31 Mar 2023**

Receivable/(Payable)	97.96	-	(164.13)	389.37	-	4,156.00	296.98	-
Balance in Current Accounts	396.40	-	-	-	-	-	-	-
Term Deposit	2,528.16	-	-	-	-	-	-	-

(\* Refer Annexure)

(# Refer Note 31)

**Remuneration to Key Managerial Personnel**

The remuneration of key management personnel during the year was as follows:

Particulars	(₹ In Lakhs)	
	2022-23	
i. Short Term Benefits	90.08	
ii. Post Employment Benefits	-	
iii. Other long term benefits	-	
iv. Share based payments	-	
v. Termination Benefits	-	

**Note:**

- (i) Banking/Credit Card transactions in normal course of business with related parties have not been considered.  
(ii) All transactions with related parties are in normal course of business



**SBI FUNDS MANAGEMENT LIMITED**  
Notes to the Financial Statements

**Annexure to Related Party Transactions**

(₹ in Lakhs)

Particulars	Classification	2023-24	2022-23
<b>Fellow Subsidiaries</b>			
SBI Mutual Fund Trustee Company Private Limited	Other Income	30.00	30.13
SBI CDMDF Trustee Pvt. Ltd.	Other Income	1.50	-
SBI-SG Global Securities Services Private Limited	Professional Fees	2,689.91	2,346.18
SBI Life Insurance Company Limited	Insurance Premium	92.81	144.54
SBI General Insurance Limited	Insurance Premium	580.16	439.69
SBI CAP Trustee Company Private Limited	Scheme Expenses	0.30	0.30
SBICAP Securities Limited	Demat & Demat Brokerage Charges	0.02	4.87
SBICAP Securities Limited	Reimbursement of Expenses	20.99	-
SBI Foundation (#)	CSR Activities	-	228.42
SBI Capital Markets Limited	Other Income	-	2.03
SBI DFHI Ltd	Purchase of 8.07% Andhra Pradesh SDL 2036	-	5,029.24
SBI CDMDF Trustee Pvt. Ltd.	Recovery of Expenses/Statutory dues paid	7.13	-

Director/Relative		2023-24	2022-23
O.P. Gahotra	Sitting Fee	-	8.10
C.N.Ram	Sitting Fee	10.90	7.70
Moiz Miyajiwala	Sitting Fee	14.40	10.50
Sudha Krishnan	Sitting Fee	13.70	9.00
Shekhar Jitendra Bhatnagar	Sitting Fee	11.90	7.40
Dr. T.T.Ram Mohan	Sitting Fee	13.70	2.50
Denys De Campaniles (Deputy CEO)	Remuneration	118.25	102.36

Enterprise Under Common Control		2023-24	2022-23
Amundi Singapore Limited	PMS Advisory & Other fees	209.07	28.87
Amundi Hong Kong Limited	PMS Advisory & Other fees	1,499.19	1,080.87
NH - Amundi Asset Management Co. Ltd	PMS Advisory & Other fees	6.62	6.84
Amundi Asset Management - Paris	PMS Advisory & Other fees	490.17	388.66
Amundi UK Limited	PMS Advisory & Other fees	23.15	23.38

Other Related Party		2023-24	2022-23
C-Edge Technologies Ltd	Software Support (Expense)	28.68	33.83
The Clearing Corporation of India Limited	Transaction charges	50.68	60.94
Regional Rural Banks (RRB)	PMS Advisory & Other fees	472.01	452.48
Regional Rural Banks (RRB)	Reimbursement of salaries of deputed employees from Banks	35.29	-
AMC Repo Clearing Ltd.	Membership Admission Fees	0.50	-
Yes Bank Limited	Retail PMS trail brokerage	0.94	-

Subsidiary		2023-24	2022-23
SBI Funds Management Employee Welfare Trust	Recovery of statutory dues paid	37.36	-
SBI Funds Management Employee Welfare Trust	Interim Dividend Paid	20.69	17.84
SBI Funds Management Employee Welfare Trust	Interest Income	299.85	6.54
SBI Funds Management Employee Welfare Trust	Loan	67.80	-
SBI Funds Management Employee Welfare Trust	Initial settlement amount	-	0.10
SBI Funds Management (International) Private Limited	Dividend Received	415.33	547.96

Receivable / (Payable) - Enterprise Under Common Control		2023-24	2022-23
Amundi Hong Kong Equity India	Receivable	435.57	270.05
Amundi Singapore Limited	Receivable	31.29	-
Amundi India Bond Fund	Receivable	-	6.22
NH-Amundi Asset Management Co. Ltd.	Receivable	1.21	1.03
Amundi Asset Management Paris	Receivable	129.35	105.57
UK Amundi Ltd	Receivable	6.08	6.49

Receivable / (Payable) - Fellow Subsidiaries		2023-24	2022-23
SBI-SG Global Securities Services Private Limited	Payable	(201.29)	(192.21)
SBI Life Insurance Company Limited	Receivable	8.09	18.25
SBI General Insurance Limited	Receivable	10.90	9.83

Receivable / (Payable) - Other		2023-24	2022-23
C-Edge Technologies Ltd	Payable	(2.45)	(8.12)
The Clearing Corporation of India Ltd	Payable	(0.10)	-
RRBs	Receivable	140.41	305.10

Receivable / (Payable) - Subsidiary		2023-24	2022-23
SBI Funds Management Limited - EWT	Loan given	4,223.80	4,156.00
SBI Funds Management Limited - EWT	Accrued interest on loan	275.75	6.54
SBI Funds Management Limited - EWT	Recovery of statutory dues	5.57	-

# Refer Note 31



**SBI FUNDS MANAGEMENT LIMITED****Notes to the Financial Statements****42. Dues to Micro, Small and Medium Enterprises**

Trade payables do not include any amount payable to Micro, Small and Medium Enterprises. Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities.

**(₹ In Lakhs)**

<b>Particulars</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
Principal amount remaining unpaid to any supplier as at the year end *	64.63	11.65
Interest due thereon	Nil	Nil
Amount of interest paid by the company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	Nil	Nil
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

**\*Breakup of above is as under :-**

Trade Payables	54.29	4.83
Retention	8.91	6.42
Earnest Deposit	1.43	0.40
<b>Total</b>	<b>64.63</b>	<b>11.65</b>

**43. Expenditure in Foreign Currency :****(₹ In Lakhs)**

<b>Particulars</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
Travelling Expenses	47.14	43.60
Business Promotion & Advertisement	83.86	103.34
Salary	320.76	329.40
Rent and Subscription	255.26	240.83
Professional Fees and others	76.24	132.36
<b>Total</b>	<b>783.26</b>	<b>849.53</b>



**SBI FUNDS MANAGEMENT LIMITED**  
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44. The Hon'ble Supreme Court Vide orders dated February 2, 2021, February 9, 2021 and February 12, 2021 in the SLP Nos. 14288-14291/2020 in Franklin Templeton (FT) Vs. Amruta Garg & OR's., appointed SBI Funds Management Ltd ('SBIFML') erstwhile SBI Funds Management Pvt Ltd, to undertake the exercise of distribution and winding up, which includes liquidation of the holdings/assets/portfolio and distribution/payment to the unitholders of the six schemes of Franklin Templeton Mutual Fund ('FTMF'). SBIFML received cash amounting to ₹ 9,122 crores for initial disbursement and balance securities amounting to ₹ 17,682 crores for liquidation and subsequent disbursement.

SBIFML based on its standard operating procedure application filed with the Hon'ble Supreme Court has fully liquidated securities received under liquidation. The proceeds from liquidation have been received from selling the securities, maturity proceeds, expense reversals and collections from coupons. As on March 31st, 2024, the securities amounting to ₹ 18,387 crores have been liquidated, out of which ₹ 520 crores have been liquidated in FY24. The total disbursements made by SBIFML to FT unitholders is ₹27,509 crores which include ₹ 577 crores disbursed in FY24, ₹ 833 crores disbursed in FY23, ₹ 16,977 crores disbursed in FY22 in addition to the ₹ 9,122 crores of the initial disbursement in FY21.

SBIFML has filed interim updates with the Hon'ble Supreme Court regarding progressive status of disbursement and liquidation on 15th March 2021, 17th January 2022, and 5th April 2022. The Hon'ble Supreme Court had vide its order dated April 12, 2022, directed that no further distribution of the available fund/money shall be made by SBIFML without prior permission/approval of this Court, which was subsequently vacated by orders dated 3rd August 2022 and 12th August 2022, by the Hon'ble Supreme Court, wherein the court allowed disbursement of certain amounts to the unitholders of various schemes. The matter is likely to be listed in July 2024.

45. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity (if any). The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

46. Disclosures with regard to the new amendments under "Division III of Schedule III" under "Part I – Balance Sheet - General Instructions for preparation of Balance Sheet" in relation to the following clauses WA, WB (i),(ii),(iii), (iv),(v), (vi),(viii), (ix),(x), (xi),(xii), (xiii),(xiv), (xv) and (xvi) are as under:

- The company does not have any borrowings from banks/financial institutions.
- The company does not have immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.
- The company does not have investment property in terms IND AS 40.
- The company has not revalued any of its Property, Plant and Equipment (including Right-of-Use Assets) during the year.
- The company has not revalued any of its Intangible assets during the year.
- The company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013).
- The Company does not have any capital work in progress.
- The details of Intangible assets under development are given in Note 10
- There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder
- The company does not have any borrowings from banks or financial institutions on the basis of security of current assets.
- The Company has not been declared a Wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- The company has not entered into any material transaction with companies struck off under section 248 of the Companies Act 2013.
- The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.
- The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- Disclosure of ratios as per the new amendment under "Division III of Schedule III" under "Part I – Balance Sheet - General Instructions for preparation of Balance Sheet" are not necessary
- The Company has not entered into any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.
- The Company has neither advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) nor received any funds to/ from any other person(s) or entity(ies), including foreign entities (Intermediaries) for lending or investing or providing guarantees to/ on behalf of the ultimate beneficiary during the financial year .



**SBI FUNDS MANAGEMENT LIMITED**

**Notes to the Financial Statements**

47. Disclosure with regard to the new amendments under "Division III of Schedule III" under "Part II – Statement of Profit and Loss - General Instructions for preparation of Statement of Profit and Loss" in relation to the following clauses 11(v) 11(vi) and 11(vii) are as under:

- The details of Corporate Social Responsibility (CSR) have been disclosed in note 31.
- The Company does not have transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during financial year in the tax assessments under the Income Tax Act, 1961.
- The Company has not traded or invested in Crypto currency or Virtual Currency during any financial year .

48. The financial statements were approved by the Board of Directors on 25 April 2024.

49. Previous years figures have regrouped/reclassified in line with current year.

As per our report of even date

**For Borkar & Muzumdar**  
Chartered Accountants  
Firm Registration No: 101569W



**Devang Vaghani**  
Partner  
Membership No: 109386



Place: Mumbai  
Date : 25 April 2024

**For and on behalf of the Board of Directors of**  
SBI Funds Management Limited



**Dinesh Kumar Khara**  
Chairman  
DIN 6737041



**DENYS CHARLES JEAN MARIE**  
**FOUGEROUX DE C**  
(Denys De Campigneulles)  
Director  
DIN 08716335

Date : 25 April 2024



**Shamsher Singh**  
Managing Director & CEO  
DIN 09787674



**Vinaya Datar**  
Chief Compliance Officer &  
Company Secretary  
M. No 15527



**Inderjeet Ghuliani**  
Chief Financial Officer



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SBI FUNDS MANAGEMENT LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of SBI Funds Management Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 25 April 2024.

The assets under management through various schemes managed by SBI Funds Management Limited are not reflected in its Balance Sheet, since these assets do not form part of the SBI Funds Management Limited. Therefore, I do not look into operation of these schemes including decision making regarding acquisition, management and disposal of the assets managed by the SBI Funds Management Limited and express no opinion on the soundness of the investments.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SBI Funds Management Limited for the year ended 31 March 2024 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the  
Comptroller & Auditor General of India



(Guljari Lal)

Director General of Audit (Shipping), Mumbai

Place: Mumbai  
Date : 28.06.2024