



HDFC SALES PRIVATE LIMITED

A WHOLLY OWNED SUBSIDIARY OF HDFC BANK LIMITED

21ST ANNUAL REPORT 2024-25

Board of Directors**Mr. Bhavesh Zaveri**

DIN: 01550468

Chairman

Non-Executive Non-Independent Nominee Director

Mr. Sumant Rampal

DIN: 10615196

Non-Executive Non-Independent Nominee Director

(w.e.f. May 7, 2024)

Ms. Simrita Kaur Ahluwalia

DIN: 08458567

Non-Executive Non-Independent Director

Mr. Subodh Salunke

DIN: 03053815

Additional Non-Executive Non-Independent Director

(w.e.f. August 1, 2025)

Mr. Rajevee Sardana

DIN: 08458567

Non-Executive Non-Independent Director

(up to August 28, 2025)

Mr. Suryakant Shroff

DIN: 00011169

Non-Executive Independent Director

(up to March 23, 2025)

Key Managerial Personnel**Ms. Priyanka Bakshi**

Chief Executive Officer

(appointed w.e.f. April 22, 2024)

Mr. Veeraraghavan Iyer

Chief Executive Officer

(up to April 21, 2024)

Mr. Baiju Dawda

Chief Financial Officer

Mr. Chintan Kamdar

Company Secretary

(w.e.f. October 15, 2024)

Ms. Siddhi Khabia

Company Secretary

(up to May 3, 2024)

Statutory Auditors**Messrs B S R & Co. LLP**

Chartered Accountants

Secretarial Auditors**Bhandari & Associates**

Company Secretaries

Banker**HDFC Bank Limited****Registered Office**

1st Floor, Ramon House, 169,
H. T. Parekh Marg, Churchgate,
Mumbai, Maharashtra, India 400020

CIN: U65920MH2004PTC144182

DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present the Twenty First (21st) Directors' Report of your Company with the audited accounts for the financial year ended March 31, 2025 ("period under review").

FINANCIAL RESULTS

	For the year ended March 31, 2025 (₹ in lakhs)	For the year ended March 31, 2024 (₹ in lakhs)
Profit before Tax	11,522.19	6,052.14
Provision for Tax	3,913.00	1,619.00
Profit after Tax	7,609.19	4,433.14
Other comprehensive income / (expense)	(512.03)	(144.22)
Total comprehensive income for the year	7,097.16	4,288.92
Equity component of compound financial instruments	-	-
Dividend paid	-	(2,501.00)
Profit/ (Loss) brought forward from previous year	7,563.64	5,775.72
Balance carried to Balance Sheet	14,660.80	7,563.64

TRANSFER TO RESERVES

During the period under review, no amount was transferred to any of the reserves by the Company.

DIVIDEND

In order to strengthen Company's financials, the Directors of your Company did not recommend any dividend for the period under review.

STATE OF COMPANY'S AFFAIRS

During the period under review:

- The revenue of the Company is ₹ 1,143.47 Crore which is a 5.77% increase compared to the revenue of the previous financial year;
- The Company has diversified its product portfolio and along with sourcing home loans and enrolling customers into group insurance policies, the Company also sources customers for other products of HDFC Bank Limited ("the Bank") which include current and savings accounts, personal and business loans, credit cards and loan on cards, etc.; and
- The Company has 8 new operational branches.

Your Company is also a corporate agent of HDFC Life Insurance Company Limited and HDFC ERGO General Insurance Company Limited. During the year, your Company sourced 1,06,604 life insurance policies and 1,04,794 general insurance policies.

There was no change in the nature of business of your Company nor was there any material change or commitment that would affect its financial position during the year till the date of this Report.

LOANS, GUARANTEES OR INVESTMENTS

During the period under review, your Company has not given any loan or provided any guarantee or security or made any investment as per section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties as per Section 188 of the Companies Act, 2013 are prescribed in Form No. AOC-2 under Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed to this Report as Annexure 1.

Details of other related party transactions are provided in the notes to the financial statements.

DEPOSITS

During the period under review, your Company has not accepted any deposit and as such, no amount of principal or interest was outstanding as at March 31, 2025.

SUBSIDIARY/ ASSOCIATE COMPANIES

Your Company does not have any subsidiary, joint venture or associate companies as at March 31, 2025.

PARTICULARS OF EMPLOYEES

Your Company had 11,937 employees as at March 31, 2025.

MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND DATE OF BOARD REPORT

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year 2024-25 and the date of this Directors' Report.

PREVENTION OF SEXUAL HARASSMENT OF EMPLOYEES AT WORKPLACE

Your Company has adopted a policy on prevention of sexual harassment of employees at the workplace *inter alia* in terms of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. Members of the Internal Complaints Committee constituted by the Company are responsible for reporting and redressing complaints regarding sexual harassment at the workplace.

The Company, on a regular basis, sensitizes its employees including outsourced employees on prevention of sexual harassment at the workplace through workshops, group meetings and online training modules. During the period under review, the status of the complaints is as follows:

- a) No. of Complaints received: 1
- b) No. of Complaints disposed of during the year: 2
- c) No. of Cases pending for more than 90 days: Nil

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The operations of your Company are not energy intensive. However, adequate measures have been taken for conservation of energy and usage of alternative source of energy, wherever possible.

During the period under review, your Company had no dealings in foreign exchange.

DIRECTORS

In accordance with the provisions of section 152 of Companies Act, 2013 and the Articles of Association of the Company, Mr. Rajeev Sardana (DIN: 06648276), Ms. Simrita Kaur Ahluwalia (DIN: 08458567), Mr. Bhavesh Zaveri (DIN: 01550468) and Mr. Sumant Rampal (DIN: 01550468) are liable to retire by rotation at the ensuing Annual General Meeting (AGM) and are eligible for being re-appointed.

Mr. Rajeev Sardana has expressed that he will retire by rotation at the ensuing Annual General Meeting of the Company and does not offer himself for re-appointment.

Ms. Simrita Kaur Ahluwalia, Mr. Bhavesh Zaveri and Mr. Sumant Rampal have offered themselves for re-appointment. Your Board has recommended their re-appointment.

Appointment of Directors:

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of your Company passed the resolution on May 07, 2024, through circulation to appoint Mr. Sumant Rampal as an Additional Director in the category of Non-Executive Nominee Director, liable to retire by rotation with effect from May 07, 2024. His appointment was approved by the Members of the Company in the ensuing Annual General Meeting held on May 30, 2024.

Further Mr. Subodh Salunke (DIN: 03053815) was appointed as an Additional (Non-Executive Non-Independent) Director of the Company with effect from August 1, 2025. His appointment is to be approved by the members of the Company in the ensuing Annual General Meeting of the Company. The necessary resolution for the appointment of Mr. Subodh Salunke and details as required under Secretarial Standard - 2 has been included in the notice of the ensuing Annual General Meeting.

Cessation of Directors:

During the period under review, Mr. Suryakant Shroff retired as a Non-Executive Independent Director of the Company with effect from March 23, 2025.

All the directors of your Company have confirmed that they are not disqualified from being appointed as directors, in terms of Section 164(2) of the Companies Act, 2013. None of the directors of your Company have been debarred from holding the office of director by virtue of any order from Securities and Exchange Board of India (SEBI) or any other such authority.

KEY MANAGERIAL PERSONNEL

During the period under review, Veeraraghavan Iyer ceased to be the Chief Executive Officer of the Company with effect from April 21, 2024 and Ms. Siddhi Khabia ceased to be the Company Secretary of the Company with effect from May 03, 2024.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of your Company appointed Ms. Priyanka Bakshi as Chief Executive Officer of the Company with effect from April 22, 2024 and Mr. Chintan Kamdar as the Company Secretary of the Company with effect from October 15, 2024.

Pursuant to the provisions of section 2(51) and Section 203 of Companies Act, 2013, Ms. Priyanka Bakshi, Chief Executive Officer, Mr. Baiju Dawda, Chief Financial Officer and Mr. Chintan Kamdar, Company Secretary, are the Key Managerial Personnel of the Company.

BOARD MEETINGS

During the period under review, the Board met four (4) times. The maximum gap between any two Board Meetings was less than one hundred and twenty days. The meetings were held on April 16, 2024, July 13, 2024, October 15, 2024 and January 15, 2025. The attendance of the directors at the above-mentioned Board meetings is listed below:

Directors	Number of Meetings attended
Mr. Bhavesh Zaveri	4 of 4
Mr. Sumant Rampal	2 of 3
Mr. Suryakant Shroff (up to March 23, 2025)	4 of 4
Mr. Rajeev Sardana	4 of 4
Ms. Simrita Kaur Ahluwalia	4 of 4

AUDIT COMMITTEE

During the period under review, the Committee met four (4) times. The meetings were held on April 16, 2024, July 13, 2024, October 15, 2024 and January 15, 2025. The attendance of the members of the Committee at the above-mentioned meetings is listed below:

Directors	Number of Meetings attended
Mr. Bhavesh Zaveri	4 of 4
Mr. Sumant Rampal	2 of 3
Mr. Suryakant Shroff (up to March 23, 2025)	4 of 4
Mr. Rajeev Sardana	4 of 4

NOMINATION AND REMUNERATION COMMITTEE

During the period under review, the Committee met two (2) times. The meetings were held on April 16, 2024 and October 15, 2024. The attendance of the members of the Committee at the above-mentioned meetings is listed below:

Directors	Number of Meetings attended
Mr. Bhavesh Zaveri	2 of 2
Mr. Suryakant Shroff (up to March 23, 2025)	2 of 2
Mr. Rajeev Sardana	2 of 2
Ms. Simrita Kaur Ahluwalia	1 of 1

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the period under review, the Committee met two (two) times. The meetings were held on April 16, 2024 and July 13, 2024. The attendance of the members of the Committee at the above-mentioned meetings is listed below:

Directors	Number of Meetings attended
Mr. Bhavesh Zaveri	2 of 2
Mr. Suryakant Shroff (up to March 23, 2025)	2 of 2
Mr. Rajeev Sardana	2 of 2
Ms. Simrita Kaur Ahluwalia	2 of 2

Further details as required under Section 135 of the Companies Act, 2013 and Rules made thereunder, is provided in the Annual Report on CSR activities annexed to this Report as Annexure 2.

RISK MANAGEMENT COMMITTEE

During the period under review, the Committee met two (2) times. The meetings were held on April 16, 2024 and October 15, 2024. The attendance of the members of the Committee at the above-mentioned meetings is listed below:

Directors	Number of Meetings attended
Mr. Bhavesh Zaveri	2 of 2
Mr. Sumant Rampal (from May 7, 2025)	1 of 1
Mr. Rajeev Sardana	2 of 2
Ms. Priyanka Bakshi (from April 22, 2024)	1 of 1
Mr. Veeraraghavan Iyer (up to April 21, 2024)	1 of 1

The Company has laid down a comprehensive risk assessment and minimization procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. Your directors are of the opinion that the Company is managing its risks through well-defined internal financial controls and that there are no significant risks that may threaten the existence of your Company.

INDEPENDENT DIRECTORS

Your Company, being a wholly owned subsidiary of HDFC Bank Limited (HDFC Bank), is not required to have an independent director on its Board. However, Mr. Suryakant Shroff was an Independent Director of the Company up to March 23, 2025.

During the period under review, Mr. Suryakant Shroff have submitted the requisite declarations confirming that they continue to meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013.

BOARD EVALUATION

During the period under review, the Nomination and Remuneration Committee continued with the same criteria to evaluate the performance of the Board as a whole and its Committees as well as the performance of each director individually, as in the previous year.

The evaluation of the Board, committees thereof and of each director was done through a structured and comprehensive questionnaire *inter alia* containing effectiveness of the Board and its committees, process of decision making, active participation, independence, quality and content of agenda papers, frequency of meetings, discussions at meetings, cohesion in meetings, contribution and management of conflict of interest.

The Chairperson of the Nomination and Remuneration Committee reviewed the feedback received from the directors on the said questionnaire and prepared a consolidated report. The said consolidated report was *inter alia* reviewed by the Nomination and Remuneration Committee.

The Chairperson of the Nomination and Remuneration Committee shared the results of evaluation at the meeting of the Board of Directors. The Board reviewed the results and expressed its satisfaction on the same. There were no actionable from the said review.

AUDITORS

Messrs B S R & Co. LLP, Chartered Accountants, having Firm Registration Number 101248W/W-100022 were appointed as the Statutory Auditors of the Company to hold office until the conclusion of the Twenty First (21st) Annual General Meeting. The Auditors' Report annexed to the financial

statements for the period under review contains the following Report on Other Legal and Regulatory Requirements:

“Para 2(B)(f) of Audit Report -

Based on our examination which included test checks, except for the instance mentioned below, the Company has used accounting softwares for maintaining its books of account which, along with access management tool, as applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

i. The feature of recording audit trail (edit log) facility was not enabled for the period from 1 April 2024 to 17 May 2024 to log any changes for the application layer of the accounting software used for maintaining the general ledger in relation to records of property, plant and equipment, accounts receivable, accounts payable and certain other areas.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention except for the periods where the audit trail was not enabled for the respective softwares in the prior year.”

Comment by the Board: The feature of recording audit trail (edit log) facility was not enabled for the period from 1 April 2024 to 17 May 2024 due to technical difficulties faced while implementing such softwares which are were resolved. The Company has put in place adequate procedures and accounting softwares for maintaining its books of account which, along with access management tool, as applicable, have a feature of recording audit trail (edit log) facility.

Messrs B S R & Co. LLP, Chartered Accountants, having Firm Registration Number 101248W/W-100022 were appointed as the Statutory Auditors of the Company until the conclusion of the Twenty First (21st) Annual General Meeting.

The Board of Directors of the Company have approved and recommended appointment of Messrs Batliboi & Purohit, Chartered Accountants, having Firm Registration Number 101048W, as Statutory Auditors of the Company for a period of five (5) consecutive years from the date of the 21st Annual General Meeting upto the conclusion of the 26th Annual General Meeting of the Company for the financial year ending on March 31, 2030.

The Statutory Auditors have confirmed their eligibility under section 141 of Companies Act, 2013 and the rules made thereunder, to continue to act as Statutory Auditors of the Company.

INTERNAL AUDIT

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, the Company had appointed Messrs JHS & Associates, Chartered Accountants, as Internal Auditors of the Company for the Financial Year 2024-25 to review internal controls and compliances under various regulations that are applicable to the Company.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Messrs Bhandari & Associates, Company Secretaries, were appointed as the Secretarial Auditors of the Company for the

Financial Year 2024-25. The Secretarial Audit Report does not contain any qualification and is annexed to this report as Annexure 3.

REQUIREMENT FOR MAINTENANCE OF COST RECORDS

During the period under review, the cost records as specified by the Central Government under Section 148(1) of the Act, are not required to be maintained by the Company.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements. During the financial year, such controls were tested and no material weakness in the design or operation was observed.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS

During the period under review, no significant or material orders were passed by any regulator or courts or tribunals against the Company impacting the going concern status and the Company's operations in future.

APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

No application has been made under the Insolvency and Bankruptcy Code, 2016. Hence, the requirement to disclose the details of the application made or any proceeding pending under the said Code during the period under review along with their status as at the end of the financial year is not applicable to the Company.

DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF VALUATION

The requirement to disclose the details of the difference between amount of the valuation done at the time of one time settlement and the valuation done while taking a loan from the Banks or Financial Institutions along with the reasons thereof, is not applicable to the Company.

SECRETARIAL STANDARDS

During the period under review, the Company has complied with the applicable provisions of Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013 and based on the information provided by the management, your directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. Accounting policies selected have been applied consistently. Reasonable and prudent judgements and estimates have been made so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for the year ended on that date;
- c. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- d. The annual accounts of the Company have been prepared on a going concern basis; and

- e. Systems to ensure compliance with the provisions of all applicable laws are in place and were adequate and operating effectively.
- f. No fraud is reported by the auditors under sub-section (12) of section 143 of Companies Act, 2013 to the Audit Committee or Board of the Company which is not reported to Central Government.

ANNUAL RETURN – FORM NO. MGT-7

The annual return in Form No. MGT- 7 for the financial year 2024-25 will be available at the Company's website i.e. www.hdfcsales.com.

COMPLIANCE TO THE PROVISIONS RELATING TO THE MATERNITY BENEFITS ACT, 1961

During the period under review, the Company has complied with the provisions relating to Maternity Benefit Act, 1961.

ACKNOWLEDGEMENTS

Your directors would like to express their sincere appreciation to all its stakeholders for their support and continued patronage.

Your directors appreciate the guidance received from various statutory/regulatory authorities including the Reserve Bank of India, Insurance and Regulatory Development Authority of India, Association of Mutual Funds in India, Pension Fund Regulatory and Development Authority, Ministry of Corporate Affairs – Government of India, the Registrar of Companies, Mumbai and the depositories.

Your directors recognize and appreciate the sincere hard work, loyalty and efforts of the employees of the Company in ensuring that the Company performs well. Your directors also wish to place on record their appreciation to all the employees of HDFC Bank Limited who devoted their valuable time in managing the affairs of the Company.

On behalf of the Board of Directors

Bhavesh Zaveri
Chairman
DIN: 01550468

Date: August 20, 2025
Place: Mumbai

FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any (₹)
	(a)	(b)	(c)	(d)	(e)	(f)
1.	HDFC Bank Limited (HDFC Bank) (Holding Company)	DSA Commission (Home Loan Sourcing)	5 years – expiry date May 31, 2028	The Company generates leads for HDFC Bank for which it receives commission on conversion of such leads to loans. HDFC Bank pays a commission after taking into account the leads and infrastructure provided by it.	–	–
2.	HDFC ERGO General Insurance Company Limited (Associate of Holding Company)	Corporate Agency Agreement (Sourcing General Insurance)	3 years – expiry date March 31, 2025	Enrolling customers into group insurance policies of HDFC ERGO General Insurance Company Limited.	–	–
3.	HDFC Life Insurance Company Limited (Associate of Holding Company)	Corporate Agency Agreement (Sourcing Life Insurance)	Perpetual agreement	Solicitation and enrollment of customers into insurance policies of HDFC Life Insurance Company Limited.	-	-

**The above-mentioned transactions were entered into by the Company in its ordinary course of business. The materiality threshold is as prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014, as amended.*

On behalf of the Board of Directors

Bhavesh Zaveri
Chairman
DIN: 01550468

Date: August 20, 2025
Place: Mumbai

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

*[Pursuant to Section 135 of the Companies Act, 2013 and Companies
(Corporate Social Responsibility Policy) Rules, 2014]*

1. Brief outline on CSR Policy of the Company:

The Company believes in conducting its business responsibly, fairly and in a most transparent manner. It continuously seeks ways to bring about an overall positive impact on the community and environment in which it operates.

The main objective of the CSR Policy of the Company is to lay down guidelines to make CSR a key business and support programs aimed at development of communities which are inequitably endowed. The Company's CSR policy is a guiding document which provides the approach and direction given by the board of the Company, after considering the recommendations of its CSR committee. It also includes, amongst others, guiding principles for selection, implementation, and monitoring of CSR activities. These activities will in turn focus on established need, sustainability and focused outcomes of the chosen sectoral themes.

During the period under review, the Company as part of its CSR activities, provided grants to Aishwarya Trust, Genesis Foundation, Ramakrishna Mission and Tata Memorial Center partnering towards treatment of Congenital Heart Diseases, purchase of medical equipment and treatment of underprivileged children suffering from Cancer to provide financial support for initial diagnosis, respectively. The CSR Committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR policy including monitoring implementation progress of the CSR projects undertaken by the Company.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Bhavesh Zaveri	Chairman	2	2
2.	Mr. Rajeev Sardana	Director	2	2
3.	Ms. Simrita Kaur Ahluwalia	Director	2	2
4.	Mr. Suryakant Shroff (upto March 23, 2025)	Director	2	2

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company – **www.hdfcsales.com**.
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. – **Not Applicable**.
5. (a) Average net profit of the Company as per section 135(5) – **₹ 7,783.19 Lakh**.
 (b) Two percent of average net profit of the company as per section 135(5) – **₹ 155.66 Lakh**.
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – **Nil**
 (d) Amount required to be set off for the financial year, if any – **Nil**.
 (e) Total CSR obligation for the financial year (5b+5c-5d) – **₹ 155.66 Lakh**.

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)- **₹ 156 Lakh.**
 (b) Amount spent in Administrative Overheads – **Nil.**
 (c) Amount spent on Impact Assessment, if applicable – **Not Applicable.**
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] - **₹ 156 Lakh.**
 (e) CSR amount spent or unspent for the financial year: **Nil.**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
1,56,00,000	–	–	–	–	–

- (f) Excess amount for set-off, if any: **Nil.**

Sl.No.	Particulars	Amount (₹ in Lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	155.66
(ii)	Total amount spent for the Financial Year	156
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.34
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	0.34

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: **Nil**

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹) Date of transfer		
NA							

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

If Yes, enter the number of Capital assets created/ acquired: **8.**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1.	Fire Alarm System				CSR00006101	Ramakrishna Mission Sevashrama (A Branch of Ramakrishna Mission)	Ramakrishna Mission Sevashrama: P.O. Kankhal, Haridwar – 249408 (Uttarakhand). Ramakrishna Mission: Ramakrishna Mission Headquarters, Headquarters Building, PO Belur, PS Bally, WB07, WB, 711202.
	Fire Alarm Cable	249408	19-07-2024	2,24,591			
	Armd cable	249408					
	Freight charge	249408					
	Cable Tray	249408	22-08-2024	3,78,320			
	Cable Tray Cover	249408					
	Apollo of UK Make Photo Optical	249408					
	Manual Call Points	249408					
	Electronic Hooters	249408					
	Remote Response Indicators	249408					
	Detector Junction Boxes	249408					
	Cabe Glands	249408					
	Cable 15 SPmm	249408	03-10-2024	1,37,470			
	Transportation Charges	249408					
	4 Zone Fire Alarm Local Control Panel	249408	21-10-2024	70,800			
	Saddle	249408	15-12-2024	13,566			
	Screw	249408					
	PVC Sleeve	249408					
	Drill Bit 6mm	249408					
	10 Zone Fire Alarm Main Control Panel	249408	19-12-2024	1,41,600			
	8 Zone Fire Alarm Main Control Panel	249408					
	Labour charges	249408	01-01-2025	2,18,334			
	Remote Response Indicators	249408	29-01-2025	1,623			
	Supervision Testing and Commissioning Charges	249408	06-02-2025	82,600			
	Cable 1.5 mm	249408		25,322			
	Fire Fighting Equipment	249408		20,977			
	Labour Charges	249408	07-02-2025	2,12,636			
2.	Setting up an OT beside the labour room						
	Anaesthesia	249408	21-10-2024	8,95,440			

	workstation (Skanray Multipara Monitor TRUSKAN S500 ETCO2)						
	OT Table	249408	25-10-2024	1,76,948			
	Adult multi paramonitor (Truskan S400 Multiparamonitor)	249408	21-10-2024	2,16,720			
	Paediatric multi paramonitor (Truskan S400 Multiparamonitor)	249408					
	2 Ton Split AC (Hot & Cold)	249408	21-11-2024	48,500			
	AC installation	249408	05-11-2024	1,180			
3.	Ward Patient Cot, bedside table and locker						
	Movable patient cot with accessories with mechanical four function movements	249408	27-10-2024 & 05-10-2024	9,56,982			
	Bedside locker	249408	05-10-2024	1,30,751			
	Cardiac table / Food table	249408	25-10-2024	1,25,255			
	Air-conditioner 1.5 ton	249408	21-11-2024	4,16,000			
	Air-conditioner 1 ton	249408	21-11-2024	99,000			
	AC installation	249408	05-11-2024	12,980			
4.	Special Freezer for Pathology Lab						
	Medlab Deep Freezer	249408	07-10-2024	1,59,300			
	Controller with data logger	249408		17,700			
	Freight Charges and others	249408		30,680			
5.	Electrolyte Analyser for Pathology Lab						
	Electrolyte Analyser: AccuLyte-II (Na, K, Cl) with Standard Accessories	249408	21-10-2024	75,520			
6.	Digital B.P. Apparatus	249408					
	OMRON Digi BP	249408	23-09-2024	1,700			
	Accusure BP AS	249408	28-09-2024	1,060			
	Accusure BP AS	249408	18-11-2024	10,600			
	Rechargeable batteries	249408	03-10-2024	998			
	Alfa Adapter 6V	249408	01-10-2024	540			
	Fingers Type C data	249408	01-10-2024	900			

	cable 3m						
	Flix Bolt 24 Charger	249408	01-10-2024	500			
	Tyfy Cell Charger	249408	01-10-2024	1,800			
	Tyfy multi Charger	249408	15-11-2024	2,800			
	Quick Rechargeable batteries	249408					
7.	Cots for Maternity Ward						
	Utility Care 2000 Fowler Bed	249408	24-01-2025	2,53,464			
8.	High-Flow Nasal Cannula (HFNC) Machine						
	Airvo 2 High Flow Humidified oxygen therapy	249408	12-02-2025	7,72,800			

Note: Additional expense of ₹64,169 was borne by Ramakrishna Mission Sevashrama, Kankhal.

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135- **Not Applicable.**

On behalf of the Board of Directors

On behalf of the Board of Directors

Bhavesh Zaveri
Chairman
DIN: 01550468

Priyanka Bakshi
Chief Executive Officer

Date: April 15, 2025
Place: Mumbai

Date: April 15, 2025
Place: Mumbai

On behalf of the Board of Directors

Bhavesh Zaveri
Chairman
DIN: 01550468

Date: August 20, 2025
Place: Mumbai

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
HDFC Sales Private Limited
CIN: U65920MH2004PTC144182
1st Floor, Ramon House,
169, H. T. Parekh Marg,
Churchgate, Mumbai- 400020

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HDFC Sales Private Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- i. The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings[#].
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011[#];
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015[#];
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018[#];
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021[#];
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021[#];

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993[#];
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021[#]; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018[#].

[#] *The Regulations or Guidelines, as the case may be were not applicable for the period under review.*

The other Laws, Regulations and Guidelines, as amended from time to time and as informed and identified by the Company which are specifically applicable to the Company are given below:

- i. The Pension Fund Regulatory and Development Authority (Point of Presence) Regulations, 2018; *(The registration has been surrendered during the period under review)*
- ii. The Telecom Commercial Communication Customer Preference Regulation, 2018 *to the extent applicable to the Telemarketer*;
- iii. Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015;
- iv. Insurance Act, 1938 including the applicable regulations and guidelines issued by the Insurance Regulatory and Development Authority of India *to the extent applicable to the Corporate Agent*; and
- v. Insurance Regulatory and Development Authority Act, 1999 *to the extent applicable to the Corporate Agent*.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standard 1 and 2 issued by the Institute of Company Secretaries of India; and
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015[#].

[#] *Not applicable for the period under review.*

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.

We further report that, with regard to laws, regulations and guidelines specifically applicable to the Company as mentioned above, we have relied on the written representation made by the management in this regard.

We further report that -

The Board of Directors of the Company is comprising of Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company has no specific events/actions, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **Bhandari & Associates**

Company Secretaries

Unique Identification No.: P1981MH043700

Peer Review Certificate No.: 6157/2024

Saurabh Somani

Partner

ACS No: 69826; C P No.: 26495

Mumbai | April 15, 2025

ICSI UDIN: A069826G000113661

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

To
The Members,
HDFC Sales Private Limited
CIN: U65920MH2004PTC144182
1st Floor, Ramon House, 169,
H. T. Parekh Marg, Churchgate, Mumbai- 400020

Our Secretarial Audit Report for the Financial Year ended on **March 31, 2025** of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Bhandari & Associates**
Company Secretaries
Unique Identification No.: P1981MH043700
Peer Review Certificate No.: 6157/2024

Saurabh Somani
Partner
ACS No: 69826; CP. No: 26495
Mumbai | April 15, 2025
ICSI UDIN: A069826G000113661

On behalf of the Board of Directors

Bhavesh Zaveri
Chairman
DIN: 01550468

Date: August 20, 2025
Place: Mumbai

**Independent Auditor's Report
To the Members of HDFC Sales Private Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the financial statements of HDFC Sales Private Limited (the "Company") which comprise the balance sheet as at 31 March 2025, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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 Requirement

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid 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 1 April 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2025 on its financial position in its financial statements - Refer Note 25 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 34 to the financial statements, 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 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.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 34 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. Based on our examination which included test checks, except for the instance mentioned below, the Company has used accounting softwares for maintaining its books of account which, along with access management tool, as applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:
- i. The feature of recording audit trail (edit log) facility was not enabled for the period from 1 April 2024 to 17 May 2024 to log any changes for the application layer of the accounting software used for maintaining the general ledger in relation to records of property, plant and equipment, accounts receivable, accounts payable and certain other areas.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention except for the periods where audit trail was not enabled for the respective softwares in the prior year.

- C. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Place: Mumbai
Date: 15 April 2025

Nitesh Shetty
Partner
Membership No.: 123493
ICAI UDIN:25123493BMNXDL3446

Annexure A to the Independent Auditor's Report on the Financial Statements of HDFC Sales Private Limited for the year ended 31 March 2025

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

- (i) (b) 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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified once in every 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancy 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 deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are 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 of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii)(a) The Company is a service company, primarily rendering direct selling agent services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

- (b) 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 been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

- (iii) 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 made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties during the year. However, the Company has granted loans, secured or unsecured to other parties in respect of which the requisite information is as below:

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to other parties as below:

Particulars	Guarantees	Security	Loans (Rs. in lakhs)	Advances in nature of loans
Aggregate amount during the year	Nil	Nil	107.97	Nil
Balance outstanding as at balance sheet date	Nil	Nil	47.82	Nil

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the loans provided during the year are not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of loans given, in our opinion the repayment of principal has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii)(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or Cess or other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending
The Finance Act, 1994	Service Tax	72	Financial Year 2013 to 2017	Deputy/ Assistant Commissioner of Service Tax
Income Tax Act, 1961	Income Tax	317	Financial Year 2014-2015	High Court
Income Tax Act, 1961	Income Tax	61	Financial Year 2020-2021	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	14	Financial Year 2021-2022	Commissioner of Income Tax (Appeals)

- (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)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) 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 been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management and basis examination of records by us, the Company has not obtained any

term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no short-term funds have been raised by the Company.
 - (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.
 - (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) 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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been 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) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Place: Mumbai
Date: 15 April 2025

Nitesh Shetty
Partner
Membership No.: 123493
ICAI UDIN:25123493BMNXDL3446

Annexure B to the Independent Auditor's Report on the financial statements of HDFC Sales Private Limited for the year ended 31 March 2025

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of HDFC Sales Private Limited ("the Company") as of 31 March 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Nitesh Shetty

Partner

Place: Mumbai

Date: 15 April 2025

Membership No.: 123493

ICAI UDIN:25123493BMNXDL3446

HDFC Sales Private Limited
Balance Sheet as at March 31, 2025

	Note No.	As at March 31, 2025	(₹ In lakhs) As at March 31, 2024
ASSETS			
(I) Non-current assets			
(a) Property, Plant and Equipment	3	8,135.27	7,467.90
(b) Capital work-in-Progress	3	-	34.14
(c) Other Intangible Assets	3	354.20	118.29
(d) Intangible assets under development	3	20.00	3.82
(e) Financial assets	4		
(i) Bank Deposit with maturity beyond twelve months (Under Lien)		5.00	5.00
(ii) Security deposits		11.59	11.56
(iii) Rent deposits		841.27	657.30
(f) Deferred tax assets (net)	5	2,866.00	4,015.00
(g) Other non-current assets	6	19.18	11.35
Total Non Current Assets		12,252.51	12,324.36
(II) Current assets			
(a) Financial assets			
(i) Trade receivables	7	17,208.47	16,087.83
(ii) Cash and cash equivalents	8	3,962.28	3,724.08
(iii) Bank balances other than cash and cash equivalents	9	15,436.52	13,604.99
(iv) Loans	10	47.82	27.52
(v) Other financial assets	11	338.28	457.51
(b) Current tax assets (net)	12	4,748.13	1,501.36
(c) Other current assets	13	2,164.07	2,081.40
Total Current Assets		43,905.57	37,484.69
Total Assets (I + II)		56,158.08	49,809.05
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	14	12,200.00	12,200.00
(b) Other equity		14,660.80	7,563.64
Total Equity		26,860.80	19,763.64
Liabilities			
(II) Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities		5,578.94	4,770.76
(b) Provisions	15	6,363.48	5,381.45
Total Non Current Liabilities		11,942.42	10,152.21
(III) Current liabilities			
(a) Financial liabilities			
(i) Lease Liabilities		1,867.87	1,698.00
(ii) Trade payables	16		
- Total outstanding dues of micro enterprises and small enterprises		195.53	312.21
- Total outstanding dues other than micro enterprises and small enterprises		4,289.85	6,346.58
(b) Other financial liabilities	17		
(i) Accrued Employee Compensation		5,290.76	6,192.14
(c) Other current liabilities	18	4,472.20	4,220.31
(d) Provisions	19	1,155.45	1,040.76
(e) Current tax liabilities (Net)		83.20	83.20
Total Current Liabilities		17,354.86	19,893.20
Total Equity and Liabilities		56,158.08	49,809.05

Summary of material accounting policies

1 - 2

The accompanying notes form an integral part of the financial statements

3 - 38

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022

For HDFC Sales Private Limited

Nitesh Shetty

Partner

Membership No.: 123493

Mumbai, April 15, 2025

Bhavesh Zaveri

Director

DIN: 01550468

Rajeev Sardana

Director

DIN: 06648276

Priyanka Bakshi
Chief Executive Officer

Baiju Sanat Dawda
Chief Financial Officer

Chintan Kamdar
Company Secretary
ACS : 53951

Mumbai, April 15, 2025

HDFC Sales Private Limited
Statement of Profit and Loss for the year ended March 31, 2025

		(₹ In lakhs)	
Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
(I) Revenue from operations	20		
(i) Commission & Brokerage		1,12,726.30	1,07,076.85
(II) Other income	21	1,620.97	1,034.88
(III) Total income (I+II)		<u>1,14,347.27</u>	<u>1,08,111.73</u>
(IV) Expenses			
(i) Employee benefit expense	22	68,526.04	69,015.64
(ii) Finance costs	23	730.09	675.44
(iii) Depreciation and amortization expenses	3	2,941.48	2,901.04
(iv) Business sourcing agent commission expense		24,643.47	24,197.16
(v) Other expenses	24	5,984.00	5,270.32
Total expenses		<u>1,02,825.08</u>	<u>1,02,059.59</u>
(V) Profit before tax (III-IV)		<u>11,522.19</u>	<u>6,052.14</u>
Tax expenses	28		
(i) Current tax		2,764.00	3,367.00
(ii) Deferred tax		1,149.00	(1,748.00)
(VI) Total tax expenses		<u>3,913.00</u>	<u>1,619.00</u>
Net profit after tax (V-VI)		<u>7,609.19</u>	<u>4,433.14</u>
(VII) Other comprehensive income			
<u>Items that will not be reclassified to profit or loss</u>			
Remeasurement of the defined benefit plans		(512.03)	(144.22)
Total comprehensive income for the period (VI + VII)		<u>7,097.16</u>	<u>4,288.92</u>
Earnings per equity share: (Face value of ₹10 each)	29		
Basic		6.24	3.63
Diluted		6.24	3.63
Summary of material accounting policies	1 - 2		
The accompanying notes form an integral part of the financial statements	3 - 38		

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
ICAIA Firm Registration No. 101248W/W-100022

For HDFC Sales Private Limited

Nitesh Shetty
Partner
Membership No.: 123493

Bhavesh Zaveri
Director
DIN: 01550468

Rajeev Sardana
Director
DIN: 06648276

Mumbai, April 15, 2025

Priyanka Bakshi
Chief Executive Officer

Baiju Sanat Dawda
Chief Financial Officer

Chintan Kamdar
Company Secretary
ACS : 53951

Mumbai, April 15, 2025

Statement of Cash Flow for the year ended March 31, 2025

(₹ In lakhs)

For the year ended
March 31, 2025For the year ended
March 31, 2024**A. CASH FLOW FROM OPERATING ACTIVITIES**

Profit before tax	11,522.19	6,052.14
Depreciation and amortization expenses	2,941.48	2,901.04
Finance costs	730.09	675.44
Bad debts written off	-	-
Interest on Bank Deposits	(1,189.00)	(984.05)
Profit on Sale of Property, Plant and Equipment	16.01	32.94
Profit on Retirement of ROU Asset & Lease Liability under Ind AS 116	(8.75)	(16.58)
Operating profit before working capital changes	14,012.02	8,660.94
(Increase) in other assets, including financial assets	(160.79)	(739.70)
(Increase) in Trade receivables	(1,120.64)	(3,683.99)
(Increase) in loans	(20.30)	(3.27)
Increase in Provisions	982.03	449.12
(Decrease) / Increase in Trade payables and other liabilities, including financial liabilities	(3,220.24)	6,806.89
Cash Generated from Operations	10,472.08	11,489.99
Income taxes paid	(6,010.77)	(4,057.83)
Net cash generated from Operating Activities (I)	4,461.31	7,432.17

B. CASH FLOW FROM INVESTING ACTIVITIES

Purchase of Property, Plant and Equipment, Other Intangible Assets, including capital advances	(866.62)	(616.35)
Decrease / (Increase) in Capital Work-in-Progress and Intangible Assets under development	17.96	(22.20)
Proceeds from sale of property, plant and equipment	(9.86)	17.36
Fixed deposit matured (placed) with Bank	(1,831.53)	500.00
Investment in Mutual funds	-	-
Redemption in Mutual Funds	-	-
Interest received on Bank Deposits	1,189.00	984.05
Net cash generated from Investing Activities (II)	(1,501.05)	862.86

C. CASH FLOW FROM FINANCING ACTIVITIES

Dividend paid	-	(2,501.00)
Repayment of lease liabilities	(2,722.07)	(2,548.51)
Net cash used in Financing Activities (III)	(2,722.07)	(5,049.51)

Net Increase/(Decrease) in cash and cash equivalents (IV) = (I)+(II)+(III) 238.19 3,245.51

Add : Cash and Cash equivalents at the beginning of the year (Refer Note 10) 3,724.08 478.58

Cash and Cash equivalents at the end of the year (Refer Note 8) 3,962.27 3,724.08

Components of Cash and Cash equivalents

Balances with bank		
- In Current Account (Refer Note 8)	362.28	24.08
- Bank deposits with original maturity of less than three months (Refer Note 8)	3,600.00	3,700.00
	3,962.28	3,724.08

Summary of material accounting policies 1 - 2

The accompanying notes form an integral part of the financial statements 3 - 38

Note

The above cash flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 - "Statement of Cash Flow".

In terms of our report attached.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

For HDFC Sales Private Limited

Nitesh Shetty
Partner
Membership No.: 123493

Bhavesh Zaveri
Director
DIN: 01550468

Rajeev Sardana
Director
DIN: 06648276

Mumbai, April 15, 2025

Priyanka Bakshi
Chief Executive Officer

Baiju Sanat Dawda
Chief Financial Officer

Chintan Kamdar
Company Secretary
ACS : 53951

Mumbai, April 15, 2025

A. Equity Share Capital

Balance as at April 1, 2023	12,200.00
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2023	-
Changes in equity share capital during the period	-
Balance as at March 31, 2024	12,200.00
Balance as at April 1, 2024	12,200.00
Changes in equity share capital due to prior period errors	-
Restated balance as at April 1, 2024	-
Changes in equity share capital during the period	-
Balance as at March 31, 2025	12,200.00

B. Other Equity

Particulars	Retained Earnings	Total
Balance as as April 1, 2023	5,775.72	5,775.72
Addition/Reduction during the year	4,433.14	4,433.14
Final Dividend paid for the year 2022-23	(2,501.00)	(2,501.00)
Interim Dividend paid for financial year 2023-24	-	-
Other comprehensive loss for the year	(144.22)	(144.22)
Closing Balance as at March 31, 2024	7,563.64	7,563.64
Surplus transferred from Statement of Profit and Loss for the year	7,609.19	7,609.19
Final Dividend paid for previous year 2023-24	-	-
Interim Dividend Payable for financial year 2024-25	-	-
Other comprehensive loss for the year	(512.03)	(512.03)
Closing Balance as at March 31, 2025	14,660.80	14,660.80

Summary of material accounting policies 1 - 2
The accompanying notes form an integral part of the financial statements 3 - 38

In terms of our report attached.

For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

For HDFC Sales Private Limited

Nitesh Shetty
Partner
Membership No.: 123493

Bhavesh Zaveri
Director
DIN: 01550468

Rajeev Sardana
Director
DIN: 06648276

Mumbai, April 15, 2025

Priyanka Bakshi
Chief Executive Officer

Baiju Sanat Dawda
Chief Financial Officer

Chintan Kamdar
Company Secretary
ACS : 53951

Mumbai, April 15, 2025

HDFC SALES PRIVATE LIMITED

Notes forming part of the financial statements

1. General Information

HDFC Sales Private Limited (the “Company”) a wholly owned subsidiary of HDFC Bank Limited from July 01, 2023, is incorporated in India, with its registered office in Mumbai.

The Board of Directors of HDFC Bank Limited at its meeting held on April 04, 2022, approved a composite Scheme of amalgamation ("Scheme"), for the amalgamation of: (i) HDFC Investments Limited and HDFC Holdings Limited, with and into Housing Development Finance Corporation Limited ("HDFC Limited"); and thereafter (ii) HDFC Limited into HDFC Bank Limited (“Bank”), and their respective shareholders and creditors, under Sections 230 to 232 of the Companies Act, 2013 and other applicable laws including the rules and regulations. Upon scheme becoming effective, from the commencement of business as on July 01, 2023, HDFC Bank Limited became holding company of our entity. The Company sources loan and other businesses for HDFC Bank Ltd, for which it receives commission. The Company is also a corporate agent of HDFC Life Insurance Company Limited and HDFC ERGO General Insurance Company Limited.

The financial statements were approved and adopted by the Board of Directors on April 15, 2025.

2. Material Accounting Policies

2.1 Basis of preparation and presentation of financial statements:

Compliance with Indian Accounting Standards (Ind AS)

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the “Act”) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant rules, as amended.

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

Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost convention:

A historical cost is a measure of value used in accounting in which the price of an asset on the balance sheet is based on its nominal or original cost when acquired by the Company.

Measurement of fair values:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value in use in Ind AS 36.

HDFC SALES PRIVATE LIMITED

Notes forming part of the financial statements

Fair value measurements under Ind AS are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at 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 valuation of assets or liabilities

Critical accounting estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Further results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known /materialize.

Fair Valuation:

The Company's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value, the Company uses market observable data to the extent it is available. When Level I inputs are not available, the Company establishes other appropriate valuation techniques and inputs to valuation model.

Measurement of Defined Benefit Plan:

The cost and the present value of the defined benefit plan are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and Attrition rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. (Refer Note No. 22.3)

Leases:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate (Refer Note 30).

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013 (the "Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the "Financial Statements" of the Company.

Amounts in the financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

HDFC SALES PRIVATE LIMITED

Notes forming part of the financial statements

2.2.1 Functional and presentation currency

These financial statements are presented in Indian Rupees (“INR”/“Rs”) which is also the Company’s functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.2.2 Recent pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

2.3 Revenue Recognition:

2.3.1 Commission income and Management Fee

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers. The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

- Revenue from contract with customer for rendering services is recognized at a point in time when performance obligation is satisfied.
- Fees and commission income are measured at an amount that reflects the fair value of the consideration received or receivable, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties
- Distribution income is earned by selling of services under distribution arrangements.

2.3.2 Other income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

HDFC SALES PRIVATE LIMITED

Notes forming part of the financial statements

2.4 Property, plant and equipment (PPE)

a. Recognition and measurement

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. PPE acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as “capital work-in-progress”.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per IGAAP less accumulated amortisation and cumulative impairment on the transition date of April 1, 2017.

b. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

c. Depreciation

Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified under Part C of Schedule II to the Act, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value being accounted on prospective basis. Freehold land has an unlimited useful life and therefore is not depreciated.”

Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

The useful life of the property, plant and equipment held by the Company is as follows:

Class of assets	Useful life	Companies Act
Computer Hardware*	4 years	3/6 years
Furniture & Fixtures	10 years	10 years
Office Equipment	5 years	5 years
Building	60 years	60 years
Leasehold Improvement	Over the lease period	Over the lease period

* For the above class of assets, based on internal assessment and independent technical evaluation carried out by external valuers, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets are different from the useful lives as prescribed under Part C of Schedule II of the Act.

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d. Derecognition

An item of PPE is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.5 Intangible Assets:

a. Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of Intangible assets measured as per IGAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2017.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as “Intangible assets under development”.

b. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

c. Amortisation

Company follows its internal policy for amortization of Intangible assets. It is amortised on straight line basis over the estimated useful life of 4 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis. Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

d. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit or loss when the asset is derecognised.

2.6 Impairment losses on non-financial assets:

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs,

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exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the Statement of Profit and Loss.

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

2.7 Borrowing cost :

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

The Effective Interest Rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial liability. Calculation of the EIR includes all fees paid that are incremental and directly attributable to the issue of a financial liability.

2.8 Employee Benefits :

Defined Contribution Plan:

The Company has two defined contribution plans for its employees:

- Contribution to Provident Fund is made to Government Provident Fund Authority
- Contribution to Employees Pension Scheme 1995 is made to Government Provident Fund Authority.

The Company recognises contribution payable to this fund / scheme as an expenditure, where an employee renders the related services. If the contribution payable to the scheme for services received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

Defined Benefit Plan:

The Company's Gratuity liability under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

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The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long term service awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date. The obligation is measured on the basis of actuarial valuation using Projected unit credit method and remeasurements gains/ losses are recognised in statement of profit and loss in the period in which they arise.

Short-term employee benefits

The undiscounted amount of short-term employee benefits are expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive which is expected to be paid within twelve months after the end of the period in which the employee renders the related service.

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2.9 Leases :

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

- a) the use of an identified asset,
- b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- c) the right to direct the use of the identified asset.

Lease liabilities are initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.

The lease liability is measured in subsequent periods using the incremental borrowing cost rate.

i. As a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole.

The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and

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remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised.

ii. As a lessor

The Company has not let out property and equipment on lease and hence is not required to make any adjustments for leases in which it acts as a lessor.

2.10 Taxes on Income:

Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the Statement of Profit and Loss except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognised outside profit or loss.

Current tax

The tax currently payable is based on the taxable profit for the year of the Company. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax credits could be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Significant accounting estimates and judgements are involved in determining Company's tax charge for the year which includes an interpretation of local tax laws, judicial pronouncements and an assessment whether the tax authorities will accept the position taken. These judgements, also, take account of external advice, wherever appropriate, and the Company's view on settling with the tax authorities.

The Company provides for current tax liabilities at the best estimate that is expected to be paid to the tax authorities where an outflow is probable. In making these estimates, the Company assumes that the tax authorities will examine all the amounts reported to them and have full knowledge of all the relevant information.

2.11 Cash and Cash Equivalents:

Cash and Bank balances comprises cash on hand and demand deposits with banks. Bank balances are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

2.12 Statement of Cash Flows:

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
- iii. All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.13 Earnings Per Share:

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net statement of profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

Diluted Earnings Per Share

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity

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shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity share would decrease the net profit per share or increase net loss per share from continuing ordinary operations.

2.14 Provisions and contingencies:

Provisions are recognised only when:

An entity has a present obligation (legal or constructive) as a result of a past event; and

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. Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in case of:

A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

A present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

Contingent Assets:

Contingent assets are not recognised in the financial statements

2.15 Goods and Service Tax (GST) Input credit:

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.16 Operating Cycle:

The primary determinant between current and noncurrent assets is the anticipated timeline of their use. Current and noncurrent assets and liabilities are listed on the balance sheet.

- Current assets are assets that are expected to be converted to cash within a year.
- Noncurrent assets are those that are considered long-term, where their full value won't be realised until at least a year.

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- Current liabilities are financial obligations that are expected to settle in their normal operating cycle.
- Noncurrent liabilities are financial obligations that are not due within a year, such as long-term debt.

2.17 Financial instruments

Date of recognition

The Company recognises debt securities, deposits and borrowings when funds reach the Company.

Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from, this amount. Trade receivables are measured at the transaction price. When the fair value of financial instruments at initial recognition differs from the transaction price, the Company accounts for the Day 1 profit or loss, as described below.

Financial liabilities and equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments,

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'at amortized cost'.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Modification and De-recognition of financial assets:

Modification of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. A loan forbearance is granted in cases where although the borrower made all reasonable efforts

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to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract. Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of ownership of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of ownership of the asset, but has transferred control of the asset

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of:

- (i) the consideration received (including any new asset obtained less any new liability assumed), and
- (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Any cumulative gain/loss recognised in OCI in respect of equity investment securities designated as at FVTOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group is recognised as a separate asset or liability.

Reclassifications within classes of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

The classification and measurement requirements of the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets.

2.18 Operating Segments:

Based on "Management Approach" as defined by Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". The Chief Operating Decision Maker (CODM) of the Company is the Board of Directors. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

2.19 Dividend on Ordinary Shares:

As per the corporate laws in India, an interim dividend is authorized when it is approved by the Board of Directors and final dividend is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

HDFC Sales Private Limited

Notes to financial statements

3 Property, plant and equipment

(₹ In lakhs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2024	Additions during the year	Deductions/ Write-off during the year	As at March 31, 2025	As at April 1, 2024	For the year	Deductions/ Write-off during the year	As at March 31, 2025	As at March 31, 2025	
Tangible										
Building	11.71	-	-	11.71	2.75	0.20	-	2.94	8.77	
Computer Hardware	2,479.66	180.48	75.42	2,584.73	1,998.91	254.49	74.07	2,179.33	405.40	
Leasehold Improvements	4,320.42	157.58	71.07	4,406.92	3,411.65	326.39	67.37	3,670.68	736.25	
Furniture & Fixtures	311.20	48.70	3.98	355.93	152.35	29.89	3.44	178.80	177.14	
Office Equipments	1,828.83	138.82	73.48	1,894.17	1,509.32	140.58	72.92	1,576.97	317.20	
Total	8,951.82	525.58	223.95	9,253.46	7,074.98	751.54	217.80	7,608.73	1,644.76	
Right of use assets	14,075.78	3,091.03	612.11	16,554.71	8,484.72	2,079.33	499.84	10,064.21	6,490.50	
Total	23,027.61	3,616.62	836.06	25,808.16	15,559.70	2,830.87	717.64	17,672.94	8,135.27	
Other Intangibles - other than Internally generated										
Computer Software	546.32	346.54	-	892.86	428.03	110.61	-	538.63	354.20	
Total	546.32	346.54	-	892.86	428.03	110.61	-	538.63	354.20	
Grand Total	23,573.93	3,963.16	836.06	26,701.02	15,987.73	2,941.48	717.64	18,211.57	8,489.47	

(₹ In lakhs)

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2023	Additions during the year	Deductions/ Write-off during the year	As at March 31, 2024	As at April 1, 2023	Additions during the year	Deductions/ Write-off during the year	As at March 31, 2024	As at March 31, 2024	
Tangible										
Building	11.71	-	-	11.71	2.56	0.19	-	2.75	8.96	
Computers	2,549.96	192.53	262.83	2,479.66	2,006.52	254.50	262.11	1,998.91	480.75	
Leasehold Improvements	4,229.06	208.22	116.86	4,320.42	3,061.53	428.41	78.29	3,411.65	908.77	
Furniture & Fixtures	278.21	40.64	7.65	311.20	132.67	25.77	6.09	152.35	158.85	
Office Equipments	1,784.80	107.67	63.64	1,828.83	1,364.55	198.96	54.19	1,509.32	319.51	
Motor Car										
Total	8,853.74	549.06	450.98	8,951.82	6,567.83	907.83	400.68	7,074.98	1,876.84	
Right of use assets	11,440.26	2,772.32	136.80	14,075.78	6,621.37	1,930.08	66.73	8,484.72	5,591.06	
Total	20,294.00	3,321.39	587.78	23,027.61	13,189.20	2,837.91	467.41	15,559.70	7,467.90	
Other Intangibles - other than Internally generated										
Computer Software	488.13	58.19	-	546.32	364.90	63.13	-	428.03	118.29	
Total	488.13	58.19	-	546.32	364.90	63.13	-	428.03	118.29	
Grand Total	20,782.13	3,379.57	587.78	23,573.93	13,554.10	2,901.04	467.41	15,987.73	7,586.19	

		As at March 31, 2025	As at March 31, 2024
Capital Work-in-Progress	Note 3.1	-	34.14
Total		-	34.14
Intangible Assets under development	Note 3.1	20.00	3.82
Total		20.00	3.82

Note:3.1
As at March 31, 2025

Capital Work-in-Progress					
Particulars	To be completed in				(₹ In lakhs)
	Less than 1 year	1-2Years	2-3Years	More than 3Years	Total
Projects in progress					
Project temporarily suspended		-	-	-	-
Total	-	-	-	-	-

Intangible assets under development					
Particulars	To be completed in				(₹ In lakhs)
	Less than 1 year	1-2Years	2-3Years	More than 3Years	Total
Projects in progress					
1.ACIDAES SOLUTIONS PVT LTD-CRM SOFTWARE	20.00	-	-	-	20.00
Project temporarily suspended		-	-	-	-
Total	20.00	-	-	-	20.00

Capital Work-in-Progress aging schedule					
Particulars	Amount as at year ended March 31, 2025				(₹ In lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Intangible assets under development aging schedule					
Particulars	Amount as at year ended March 31, 2025				(₹ In lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress					
1.ACIDAES SOLUTIONS PVT LTD-CRM SOFTWARE	20.00	-	-	-	20.00
Project temporarily suspended	-	-	-	-	-
Total	20.00	-	-	-	20.00

As at March 31, 2024

Capital Work-in-Progress

Particulars	To be completed in				(₹ In lakhs)
	Less than 1 year	1-2Years	2-3Years	More than 3Years	Total
Projects in progress					
1.Leasehold of office -Vizianagaram 70%)	7.82	-	-	-	7.82
2.Leasehold of office-Noida (50%)	10.87	-	-	-	10.87
3.Leasehold of office-Mysore (50%)	15.45	-	-	-	15.45
Project temporarily suspended	-	-	-	-	-
Total	34.14	-	-	-	34.14

Intangible assets under development

Particulars	To be completed in				(₹ In lakhs)
	Less than 1 year	1-2Years	2-3Years	More than 3Years	Total
Project in progress					
1.CYBER MANAGERS SOFTWARE SERVICES PVT LTD	3.82	-	-	-	3.82
Project temporarily suspended	-	-	-	-	-
Total	3.82	-	-	-	3.82

Capital Work-in-Progress aging schedule

Particulars	Amount as at year ended March 31, 2024				(₹ In lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress					
1.Leasehold of office -Vizianagaram 70%)	7.82	-	-	-	7.82
2.Leasehold of office-Noida (50%)	10.87	-	-	-	10.87
3.Leasehold of office-Mysore (50%)	15.45	-	-	-	15.45
Project temporarily suspended	-	-	-	-	-
Total	34.14	-	-	-	34.14

Intangible assets under development aging schedule

Particulars	Amount as at year ended March 31, 2024				(₹ In lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress					
1.CYBER MANAGERS SOFTWARE SERVICES PVT LTD	0.94	2.88	-	-	3.82
Project temporarily suspended	-	-	-	-	-
Total	0.94	2.88	-	-	3.82

(₹ In lakhs)

4 FINANCIAL ASSETS

	As at March 31, 2025	As at March 31, 2024
Bank Deposit with maturity beyond twelve months (Under Lien) (Refer Note 26)	5.00	5.00
Security Deposits	11.59	11.56
Rent Deposits	841.27	657.30
	857.86	673.86

5 DEFERRED TAX ASSETS (NET)

	As at March 31, 2025	As at March 31, 2024
Written down value-Fixed assets	611.00	614.00
Retirement Benefits	1,893.00	1,616.00
Ind AS 116 ROU/Lease Liabilities	241.00	221.00
Disallowances of expenses	121.00	1,564.00
	2,866.00	4,015.00

5.1 CURRENT TAX

	As at March 31, 2025	As at March 31, 2024
Current tax expense for current year	2,809.00	3,367.00
Current tax benefit pertaining to prior years	(45.00)	-
	2,764.00	3,367.00

5.2 DEFERRED TAX

	As at March 31, 2025	As at March 31, 2024
Deferred tax expense / (benefit) for current year	99.00	(1,748.00)
Deferred tax expense pertaining to prior years	1,050.00	-
	1,149.00	(1,748.00)

6 OTHER NON- CURRENT ASSETS

	As at March 31, 2025	As at March 31, 2024
Prepaid Expenses	13.81	0.48
Capital Advances	5.37	10.87
	19.18	11.35

7 TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good)		
Outstanding for a period exceeding 12 months from the date they become due	5.44	1.09
From related parties (Refer Note 26)	17,203.03	16,086.74
	17,208.47	16,087.83

Trade Receivables ageing schedule

Particulars	Outstanding receivables from due date of payment/date of transactios for the year ended March 31, 2025					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good/All receivables from related party	17,186.12	16.91	5.44	-	-	17,208.47
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Total	17,186.12	16.91	5.44	-	-	17,208.47

Particulars	Outstanding receivables from due date of payment/date of transactios for the year ended March 31, 2024					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables — considered good	16,068.61	18.13	1.09	-	-	16,087.83
(ii) Undisputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables — credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables — considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables — which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-
Total	16,068.61	18.13	1.09	-	-	16,087.83

(₹ In lakhs)

8 CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- In Current Account (Refer Note 26)	362.28	24.08
- Bank deposits with original maturity of less than three months (Refer Note 26)	3,600.00	3,700.00
	<u>3,962.28</u>	<u>3,724.08</u>

9 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

	As at March 31, 2025	As at March 31, 2024
Bank Deposits (Under Lien) (Refer Note 26)	4.99	4.99
Bank Deposits (Refer Note 26)	15,431.53	13,600.00
	<u>15,436.52</u>	<u>13,604.99</u>

10 CURRENT LOANS

	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good)		
Staff Loans	47.82	27.52
	<u>47.82</u>	<u>27.52</u>

11 OTHER FINANCIAL ASSETS

	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered Good)		
Interest Accrued but not due on Bank Deposits	184.49	203.27
Rent Deposits	153.79	254.24
	<u>338.28</u>	<u>457.51</u>

12 CURRENT TAX ASSETS (NET)

	As at March 31, 2025	As at March 31, 2024
Advance Payment of Income Tax (Net of Provisions)	4,748.13	1,501.36
	<u>4,748.13</u>	<u>1,501.36</u>

13 OTHER CURRENT ASSETS

	As at March 31, 2025	As at March 31, 2024
Balance with Goods & Services Tax authorities	1,275.83	1,195.83
Advance to employees	52.88	81.48
Dues from Employees	5.91	24.19
Other Advances		
- Related Party (Refer Note 26)	36.85	38.78
- Others	7.65	8.23
Prepaid Expenses		
- Related Party (Refer Note 26)	311.62	319.15
- Others	473.33	413.74
	<u>2,164.07</u>	<u>2,081.40</u>

(₹ In lakhs)

15 NON CURRENT PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
Gratuity (Refer Note 22.3)	3,799.35	3,110.29
Leave Encashment	2,564.13	2,271.16
	6,363.48	5,381.45

16 TRADE PAYABLES

	As at March 31, 2025	As at March 31, 2024
Due to micro enterprises and small enterprises	195.53	312.21
Due to Other than micro enterprises and small enterprises((Refer Note 26)	4,289.85	6,346.58
	4,485.38	6,658.79

Particulars	Outstanding payables from due date of payment/date of transaction for the year ended March 31, 2025				
	Less than 1 years	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	195.53	-	-	-	195.53
(ii) Others	4,286.91	2.94	-	-	4,289.85
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	4,482.44	2.94	-	-	4,485.38

Particulars	Outstanding payables from due date of payment/date of transaction for the year ended March 31, 2024				
	Less than 1 years	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	312.21	-	-	-	312.21
(ii) Others	6,346.58	-	-	-	6,346.58
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	6,658.79	-	-	-	6,658.79

- 16.1 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below :

Particulars	As at March 31, 2025	As at March 31, 2024
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting period	195.53	312.21
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period;	-	-
(c) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the accounting period; and	-	-
(e) The amount of further interest due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-
Total	195.53	312.21

- 16.2 There is amount payable of ₹ 195.53 lacs during the year by the Company to suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006. The above information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

17 OTHER FINANCIAL LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Accrued Employee Compensation	5,290.76	6,192.14
	5,290.76	6,192.14

18 OTHER CURRENT LIABILITIES

	As at March 31, 2025	As at March 31, 2024
Capital Creditors	10.12	18.11
Statutory Remittances	4,447.22	4,185.89
Other liabilities / payables	14.86	16.31
	4,472.20	4,220.31

19 SHORT TERM PROVISIONS

	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits		
Gratuity (Refer Note 22.3)	244.54	203.23
Leave Encashment	910.91	837.53
	1,155.45	1,040.76

Notes to Financial Statements

(₹ In lakhs)

As At
March 31, 2025

As At
March 31, 2024

14 SHARE CAPITAL**Authorised (Refer note 14.1)**

15,00,00,000 Equity Shares of ₹ 10 each 15,000.00 15,000.00

15,000.00 **15,000.00**

Issued, Subscribed and paid-up

12,20,00,000 Equity Shares of ₹ 10 each fully paid up 12,200.00 12,200.00
(Previous Year 12,20,00,000 Equity Shares of ₹ 10 each fully paid up)
(All the Shares are held by HDFC Bank Limited, the Holding Company and its nominees)

12,200.00 **12,200.00**

14.1 The Company has only one class of shares referred to as equity shares having Face Value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share.

14.2 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

14.3 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	(₹ In lakhs)	Number	(₹ In lakhs)
Equity shares outstanding as at the beginning of the year	12,20,00,000	12,200	12,20,00,000	12,200
Equity Shares issued during the year on Right basis	-	-	-	-
Equity shares outstanding as at the end of the year	12,20,00,000	12,200	12,20,00,000	12,200

14.4 Details of shareholding of Promoters in excess of 5%

Name of the Shareholder	As at Mar 31, 2025			As at Mar 31, 2024	
	No. of Equity Shares (Face Value ₹ 10)	% of Share Capital	% Change during the year	No. of Equity Shares (Face Value ₹ 10)	% of Share Capital
HDFC Bank Limited	12,20,00,000	100%	0%	12,20,00,000	100%

14.5 During the period of 5 years immediately preceeding the Balance Sheet date, the Company has not issued any Equity Shares without payment being received in cash, bonus shares and has not bought back any Equity Shares

20 REVENUE FROM OPERATIONS

Year ended March 31, 2025	Year ended March 31, 2024
------------------------------	------------------------------

Commission & Brokerage (Refer Note 26)

- Mortgage	86,310.03	85,054.31
- Insurance	25,374.74	21,069.61
- Education Loan	-	319.98
- National Pension Scheme Commission	0.42	0.70
- Others	607.30	136.38
	1,12,292.49	1,06,580.98

Management Fees (Refer Note 26)

433.81	495.87
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1,12,726.30	1,07,076.85
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21 OTHER INCOME

Year ended March 31, 2025	Year ended March 31, 2024
------------------------------	------------------------------

Sale of Mutual Fund Business (Refer Note 26)

Interest on Bank Deposits (Refer Note 26)	424.71	-
Interest on Income Tax Refund	1,189.00	984.05
Profit on Sale of Assets (Net)	-	34.46
	7.26	16.37

1,620.97	1,034.88
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22 EMPLOYEE BENEFITS EXPENSES

Year ended March 31, 2025	Year ended March 31, 2024
------------------------------	------------------------------

Salaries & Bonus (Refer Note 22.1 & 22.2)

Contribution to Provident Fund (Refer Note 22.3)

Staff Welfare Expenses (Refer Note 22.3 & 26)

Gratuity (Refer Note 22.3)

62,119.78	63,403.17
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2,837.68	2,830.47
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2,858.89	2,125.83
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709.69	656.17
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68,526.04	69,015.64
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Notes to financial statements

(₹ In lakhs)

23 FINANCE COST**Year ended
March 31, 2025****Year ended
March 31, 2024**

Interest Expenses - Lease Rental Properties

730.09

675.44

730.09**675.44****24 OTHER EXPENSES****Year ended
March 31, 2025****Year ended
March 31, 2024**

Advertisement & Sales Promotion

3.90

6.53

Auditors' Remuneration (Refer Note No. 24.1)

32.43

32.09

Bad Debts written off

-

-

Bank Charges (Refer Note 26)

0.03

2.71

Computer Expenses (Refer Note 26)

1,542.93

780.92

Corporate Social Responsibility Expenditure (Refer Note 27)

156.00

137.11

Directors' Sitting Fees

19.50

44.10

Electricity Expenses

670.95

646.95

Insurance Charges (Refer Note 26)

18.47

20.00

Interest on Delayed Payments of Statutory Dues

4.34

4.30

Legal & Professional Fees

1,462.14

1,664.08

Trademark License Fees (Refer Note 26)

94.75

60.27

Miscellaneous Expenses

76.96

65.88

Postage, Telephone & Fax

671.11

491.89

Printing & Stationery

97.30

118.23

Rates & Taxes (Refer Note 26)

148.32

204.67

Rent (Refer Note 26 & 30)

(24.81)

(37.71)

Repairs & Maintenance (Refer Note 26)

384.16

210.50

Shared Service Cost Recovered

-

(141.85)

Training Expenses

5.18

9.79

Travelling & Conveyance

557.48

816.50

Fee Subvention Expense (Refer Note 26)

62.86

133.35

5,984.00**5,270.32****24.1 Payment to Auditors comprises of :****Year ended
March 31, 2025****Year ended
March 31, 2024**

Audit Fees

27.00

28.10

Tax Audit Fees

3.00

2.00

Reimbursement of expenses

2.43

1.99

32.43**32.09**

HDFC Sales Private Limited

Notes to Financial Statements

- 22.1** Salaries and bonus includes ₹ 744.80 lacs (Previous Year ₹ 653.98 lacs) being amount paid to HDFC Bank Ltd, on account of personnel deputed to the Company.
- 22.2** Salaries and bonus is net of recovery from HDFC Bank Ltd, to the extent of ₹ 8,739.84 lacs (Previous Year ₹ 9,704.07 lacs) towards outsourcing services rendered by the employees of the company.
- 22.3** As required by Indian Accounting Standard 19 - "Employee Benefits", the following disclosures have been made :
- I Defined Contribution Plans**
- The Company makes Provident Fund , Employee State Insurance Scheme and Labour Welfare Fund contributions which are defined Contribution Plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the Payroll Cost to fund the benefits.
- i) The Company has recognised ₹ 3,059.74 lacs (Previous Year ₹ 3,054.57 lacs) in the Statement of Profit and Loss on account of Contribution to Provident Fund and administration charges.
- ii) The Company has recognised ₹ 394.28 lacs (Previous Year ₹ 492.73 lacs) in the Statement of Profit and Loss on account of Contribution to Employee's State Insurance Corporation.
- iii) The Company has recognised ₹ 15.52 lacs (Previous Year ₹13.74 lacs) in the Statement of Profit and Loss on account of Contribution to Labour Welfare Fund.
- II Defined Benefit Plans**
- a) The Company has an obligation towards gratuity, a non funded defined benefit plan covering eligible employees. The plan provides for a lumpsum payment to vested employees at retirement, death while in employment or on termination of the employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

HDFC Sales Private Limited

Notes to Financial Statements

- b) Details of the Company's non funded post-retirement benefit plans towards gratuity for its employees are given below which is certified by

(₹ In lakhs)

Change in the Benefits Obligations:	Current Year	Previous Year
	₹	₹
Liability at the beginning of the year	3,313.52	3,016.55
Current Service Cost	470.78	432.64
Interest Cost	238.90	223.53
Benefits Paid	(491.35)	(503.42)
Actuarial Loss	512.03	144.22
Liability at the end of the year	4,043.89	3,313.52

Amount Recognised in the Balance Sheet :	Current Year	Previous Year
	₹	₹
Liability at the end of the year	4,043.89	3,313.52
Fair Value of the plan at the end of the year	-	-
Amount Recognised in the Balance Sheet under "Provision for Employee Benefits"	4,043.89	3,313.52
- Long Term Provisions	3,799.35	3,110.29
- Short Term Provisions	244.54	203.23

Notes to Financial Statements

Expense Recognised in the Statement of Profit and Loss :	Current Year	Previous Year
	₹	₹
Current Service Cost	470.78	432.64
Interest Cost	238.90	223.53
Net Actuarial loss to be recognised	512.03	144.22
Expense recognised in the Statement of Profit & Loss included under Employee Benefits Expense	1,221.72	800.39

Reconciliation of the Liability Recognised in the Balance Sheet	2024-25	2023-24
	₹	₹
Opening Net Liability	3,313.52	3,016.55
Expense Recognised	1,221.72	800.39
Benefit Paid	(491.35)	(503.42)
Amount recognised in the Balance Sheet under "Provision for Employee Benefits"	4,043.89	3,313.52
Experience Adjustment:		
On Plan Liabilities (Gain)/Loss	328.93	82.94

Principal Assumptions:

Particulars	Current Year %	Previous Year %
Discount Rate	6.71	7.41
Salary Escalation Rate	5.00	5.00
Attrition Rate		
For Service Below 5 Years	28.00	28.00
For Service 5 Years & Above	5.00	5.00

The estimate of future salary increases takes into account inflation, seniority, promotion and other relevant factors.

Sensitivity Analysis - Gratuity Fund

(₹ In lakhs)

Particulars	Current Year	Previous Year
Projected Benefit Obligation on Current Assumptions	4,043.88	3,313.52
Delta Effect of +1% Change in Rate of Discounting	(352.87)	(288.57)
Delta Effect of -1% Change in Rate of Discounting	411.70	336.90
Delta Effect of +1% Change in Rate of Salary Increase	414.69	341.07
Delta Effect of -1% Change in Rate of Salary Increase	(361.38)	(296.80)
Delta Effect of +1% Change in Rate of Employee Turnover	44.71	53.38
Delta Effect of -1% Change in Rate of Employee Turnover	(52.23)	(61.74)

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 benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

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

Maturity Analysis of the Benefit Payments: From the Fund

(₹ In lakhs)

Projected Benefits Payable in Future Years From the Date of Reporting	Current Year	Previous Year
1st Following Year	244.54	203.23
2nd Following Year	237.64	207.29
3rd Following Year	267.02	214.05
4th Following Year	263.61	235.86
5th Following Year	293.75	228.70
Sum of Years 6 To 10	1,523.81	1,300.42
Sum of Years 11 and above	5,966.85	5,356.53

Notes to Financial Statements**25 Contingent Liability and Capital Commitments**

(₹ In lakhs)

Particulars	Current Year	Previous Year
	₹	₹
Claims not acknowledged by the Company relating to cases contested by the Company and which are not likely to devolve on the Company		
Service Tax (Pending before Office of the DY/ Asst. Commissioner of Service Tax)	72.16	72.16
Estimated amount of contracts remaining to be executed on capital account and not provided	166.73	64.23

26 Related Party Transactions

As per the Indian Accounting Standard on “Related Party Disclosures” (Ind AS-24) :

Holding Company: Housing Development Finance Corporation Limited (Upto June 30, 2023).**Holding Company:** HDFC Bank Limited (From July 1, 2023)**Fellow Subsidiaries :**

HDFC ERGO General Insurance Company Limited

HDFC Credila Financial Services Limited (Upto March 18, 2024)

HDFC Life Insurance Company Limited

HDFC Asset Management Company Limited

HDFC Trustee Co. Limited.

Griha Investments

HDFC Education and Development Services Private Limited

Griha Pte Limited.

HDFC Capital Advisors Limited

HDFC AMC International (IFSC) Limited

HDFC Securities Limited

HDB Financial Services Limited

HDFC International Life and Re Company Limited

Hdfc Pension Fund Management Limited

List of key managerial personnel:**Directors:**

Mr. Rajeev Sardana

Ms. Harini Anand (resigned on October 11, 2023)

Mr. Conrad D'souza (resigned on January 15, 2024)

Mr. Suryakant Nanalal Shroff (resigned on March 23, 2025)

Ms. Simrita Kaur Ahluwalia (w.e.f. January 3, 2024)

Mr. Arvind Kapil (w.e.f. December 18, 2023 & resigned on March 19, 2024)

Mr. Bhavesh C Zaveri (w.e.f. January 31, 2024)

Mr. Sumant Vinay Rampal (w.e.f. May 7, 2024)

Executive Officers:

Mr. Santosh Gopalkrishnan - Chief Executive Officer (upto November 30, 2023)

Mr. Veeraraghavan Iyer - Chief Executive Officer (w.e.f. December 1, 2023 & resigned on April 22, 2024)

Ms. Priyanka Bakshi - Chief Executive Officer (w.e.f. April 22, 2024)

Mr. Shivalingam Pillai - Chief Financial Officer (upto May 23, 2023)

Mr. Baiju Sanat Dawda - Chief Financial Officer (w.e.f. May 24, 2023)

Ms. Siddhi Khabia - Company Secretary (w.e.f. November 14, 2023 & resigned on May 3, 2024)

Mr. Chintan Kamdar - Company Secretary (w.e.f. October 15, 2024)

All the transactions with related parties are on arm's length basis. The terms and conditions of these transactions were no more favourable than those available, or those which might reasonably be expected to be available, in similar transactions with non-related parties on an arm's length basis. None of the balances are secured and the settlement of the same will be done in the form of cash or by providing/receiving services as applicable, in the ordinary course of business. The nature and volume of transactions of the Company during the current & previous year with the above related parties were as follows:

Particulars	(₹ In lakhs)	
	Current Year	Previous Year
	₹	₹
Income		
Mortgage Commission		
- HDFC Bank Ltd (from July 1, 2023)	86,310.03	72,293.09
- HDFC Limited (upto June 30, 2023)	-	12,761.22
Savings Account Commission		
- HDFC Bank Ltd (from July 1, 2023)	337.54	-
PL BL Commission		
- HDFC Bank Ltd (from July 1, 2023)	82.73	-
Credit Card and Loan on Credit Card Commission		
- HDFC Bank Ltd (from July 1, 2023)	115.18	-
Deposit Commission		
- HDFC Bank Ltd (from July 1, 2023)	6.63	0.35
- HDFC Limited (upto June 30, 2023)	-	29.58
Mutual Fund AUM Sale		
- HDFC Bank Ltd (from July 1, 2023)	424.71	-
NPS Commission		
- HDFC Bank Ltd (from July 1, 2023)	0.42	-
- HDFC Limited (upto June 30, 2023)	-	0.70
Management Fees		
- HDFC Bank Ltd (from July 1, 2023)	433.81	344.45
- HDFC Limited (upto June 30, 2023)	-	151.43
Interest on Fixed Deposits		
- HDFC Bank Ltd (from July 1, 2023)	1,189.00	740.07
- HDFC Limited (upto June 30, 2023)	-	132.00
- Fellow Subsidiary / Associates of Holding Companies		111.97
Salary Cost Recovered		
- HDFC Bank Ltd (from July 1, 2023)	8,739.84	6,754.35
- HDFC Limited (upto June 30, 2023)	-	2,949.73
Staff Welfare Expenses Recovered		
- HDFC Bank Ltd (from July 1, 2023)	148.17	161.09
- HDFC Limited (upto June 30, 2023)		-
Shared Service Cost Recovered		
- HDFC Bank Ltd (from July 1, 2023)	-	72.84
- HDFC Limited (upto June 30, 2023)	-	69.01
Insurance Claim Recovered		
- HDFC ERGO General Insurance Company Limited	1.04	11.50
Insurance Commission		
- HDFC Life Insurance Company Limited	12,712.90	9,523.94
- HDFC ERGO General Insurance Company Limited	12,661.83	11,545.67
Education Loan Commission		
- HDFC Credila Financial Services Limited (upto March 18, 2024)	-	318.61
Sale of Fixed Assets		
- HDFC Limited (upto June 30, 2023)	-	47.53

Particulars	Current Year ₹	Previous Year ₹
Expenditure		
Insurance Expense		
- HDFC ERGO General Insurance Company Limited	18.47	20.00
Rent		
- HDFC Bank Ltd (from July 1, 2023)	210.42	167.61
- HDFC Limited (upto June 30, 2023)	-	55.87
Computer Expenses		
- HDFC Bank Ltd (from July 1, 2023)	41.42	50.45
- HDFC Limited (upto June 30, 2023)	-	16.82
Staff Welfare Expenses		
- HDFC Limited (upto June 30, 2023)	-	1.16
- HDFC ERGO General Insurance Company Limited	845.73	612.46
Rates and Taxes		
- HDFC Limited (upto June 30, 2023)	-	-
Deputation Cost*		
- HDFC Bank Ltd (from July 1, 2023)	744.80	448.29
- HDFC Limited (upto June 30, 2023)	-	205.69
Trademark License Fees		
- HDFC Bank Ltd (from July 1, 2023)	94.75	60.27
- HDFC Limited (upto June 30, 2023)	-	-
Fee Subvention Expense		
- HDFC Bank Ltd (from July 1, 2023)	62.86	95.95
- HDFC Limited (upto June 30, 2023)	-	37.40
Bank Charges		
- HDFC Bank Ltd (from July 1, 2023)	0.02	0.04
Common Expenses – Pro rata share		
- HDFC Bank Ltd (from July 1, 2023)	50.42	4.81
- HDFC Limited (upto June 30, 2023)	-	11.15
Assets		
Trade receivables		
- HDFC Bank Ltd (from July 1, 2023)	12,834.71	13,156.92
- HDFC Limited (upto June 30, 2023)	-	-
- HDFC Life Insurance Company Limited	2,485.34	1,096.70
- HDFC ERGO General Insurance Company Limited	1,876.26	1,810.26
- HDFC Credila Financial Services Limited (upto March 18, 2024)	-	0.05
Others (Interest Accrued on Bank & other FD)		
- HDFC Bank Ltd (from July 1, 2023)	184.49	203.27
- HDFC Limited (upto June 30, 2023)	-	-
Other advances		
- HDFC ERGO General Insurance Company Limited	36.85	38.78
Prepaid expenses		
- HDFC ERGO General Insurance Company Limited	311.62	319.15

Particulars	Current Year	Previous Year
	₹	₹
Fixed Deposits		
- HDFC Bank Ltd (from July 1, 2023)	19,041.52	17,309.99
- HDFC Limited (upto June 30, 2023)	-	-
Rent Deposit		
- HDFC Bank Ltd (from July 1, 2023)	42.81	-
Bank Balance		
- HDFC Bank Ltd (from July 1, 2023)	362.28	24.08
Liabilities		
Equity Share Capital		
- HDFC Bank Ltd (from July 1, 2023)	12,200.00	12,200.00
- HDFC Limited (upto June 30, 2023)	-	-
Trade payables		
- HDFC Bank Ltd (from July 1, 2023)	231.93	65.21
- HDFC Limited (upto June 30, 2023)	-	-
Transfer of Assets		
Sale of asset		
- HDFC Bank Ltd (from July 1, 2023)	-	18.14
- HDFC Limited (upto June 30, 2023)	-	-
Final Dividend		
- HDFC Bank Ltd (from July 1, 2023)	-	-
- HDFC Limited (upto June 30, 2023)	-	2,501.00

* Includes remuneration paid to Priyanka Bakshi

Transactions with key managerial personnel

The compensation to key managerial personnel comprising directors and executive officers is as follows:

Particulars	Current Year	Previous Year
	₹	₹
Salaries to executive officers		
Remuneration to KMP		
- Short Term Employee Benefits*	77.99	63.45
- Post Employment Benefits		
- Termination Benefits		
Sitting fees to non – executive / independent directors	19.50	44.10
Total	97.49	107.55

*Remuneration to KMP- Short term Employee Benefits does not include remuneration to the CEO as she is on deputation in the Company. However, the amount paid to Parent for deputation expenses includes remuneration paid to the CEO

27 Corporate Social Responsibility (CSR)

The details of CSR expenditure during the Financial Year 2024-25 are as below:

Particulars	(₹ In lakhs)	
	Current Year	Previous Year
	₹	₹
Gross amount required to be spent by the company during the year	156.00	137.00
Amount of expenditure incurred	156.00	137.00
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall		
Nature of CSR Activities*	Refer*	Refer*
Details of related party transactions	N. A	N. A
Where a provision is made with respect to a Liability incurred by entering into a contractual obligation		

* Treating of lesser privileged, critically-ill children up to 18 years old suffering from Congenital Heart Defects ("CHD") and donation made to Tata Memorial Hospital towards patient reimbursement.

28 Reconciliation of Effective tax rate

(₹ In lakhs)

Particulars	Current Year	Previous Year
	₹	₹
Profit before tax	11,522.19	6,052.14
Income tax expense calculated at 25.168%	2,899.90	1,619.00
Effect of expenses that are not deductible in determining taxable profit	-	-
Others (DTA and Prior period tax adjustment)	1,013.10	-
Total	3,913.00	1,619.00
Income tax expense recognized in statement of profit and loss	3,913.00	1,619.00

The evaluation of uncertain tax positions involves an interpretation of relevant tax laws, which could be subject to challenge by the tax authorities, and an assessment of whether the tax authorities will accept the position taken. The Company does not currently consider that assumptions or judgements made in assessing tax liabilities have a significant risk resulting in a material adjustment within the next financial year.

- 1) The tax rate used for the reconciliations above is the corporate tax rate of 25.168% for the year 2023-24 and 25.168% for 2024-25 payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

- 2) On September 20, 2019, vide the Taxation Laws (Amendment) Ordinance, 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 (the "Act") which provides domestic companies an irreversible option to pay corporate tax at reduced rates effective April 1, 2019. The Company has elected to offer taxes on its income based on the rates applicable under the aforesaid regime (25.168%) and the Company has recognized Provision for taxes at rate provided under the said regime.

29 Earnings per Share

In accordance with the Indian Accounting Standard "Earnings Per Share" (Ind AS 33)

(₹ In lakhs)

Particulars	Current Year	Previous Year
	₹	₹
Nominal Value per share	10.00	10.00
Profit for the year after Taxation	7,609.19	4,433.14
Weighted average number of Equity Shares Outstanding	12,20,00,000	12,20,00,000
Basic/Diluted EPS (b)/(c)	6.24	3.63

30 Lease
Disclosure of Ind AS 116 Leases

Leases as Lessee

The Company takes office premises on lease. The average period of lease ranges from 5 years to 9 years.

When measuring lease liabilities for leases that were classified as operating leases, the Company discounted lease payments using its incremental borrowing rate as at April 1, 2021. The rate applied is 10.50%.

In response to the COVID-19 coronavirus pandemic, the International Accounting Standards Board (the Board) has issued amendments to IFRS 16 Leases to allow lessees not to account for rent concessions as lease modifications if they are a direct consequence of COVID-19 and meet certain conditions.

The Company has applied the 'Practical Expedient' to all rent concessions made available upto June 30, 2022. The amount recognized in the profit and loss for the reporting period to reflect changes in the lease payment arising from rent concession amounted to ₹ 24.81 lakhs. This is shown as negative amount under the heading 'Rent' under Indirect Expenditure.

Right to use assets

Particulars	(₹ In lakhs)	
	Current Year	Previous Year
	₹	₹
Opening	5,591.06	4,818.90
Depreciation charge for the year	(2,079.33)	(1,930.08)
Addition	3,091.03	2,772.32
Deletion	(112.26)	(70.07)
Balance as at March 31, 2024	6,490.50	5,591.06

As at March 31, 2024, future minimum lease payments under operating leases were payable as follows.

Maturity Analysis - Contractual undiscounted cash flows

Particulars	(₹ In lakhs)	
	Current Year	Previous Year
	₹	₹
Less than 1 year	2,560.55	2,288.83
Between one and five years	6,280.77	5,416.04
More than five years	340.75	256.12

Amount Recognised in Statement of Profit & Loss Account

Particulars	(₹ In lakhs)	
	Current Year	Previous Year
	₹	₹
Interest on lease liabilities	730.09	675.44
Depreciation charge for the period	2,079.33	1,930.08
Total	2,809.42	2,605.52

Amount Recognised in Statement of Cash Flows

Particulars	(₹ In lakhs)	
	Current Year	Previous Year
	₹	₹
Total Cash Outflow for leases	2,722.07	2,548.51

Leases as Lessor

The Company does not lease out its properties

31 Taxes on Income

31.1 Deferred Tax Assets (Net)

(₹ In lakhs)

Particulars	Current Year
	₹
Deferred Tax (Assets)	(1,149.00)
Net Deferred Tax Asset	(1,149.00)

31.2 Movement in Deferred Tax Assets / Liabilities

(₹ In lakhs)

Particulars	Current Year			
	Opening	Addition	Deletion	Closing
Depreciation	614.00	-	(3.00)	611.00
Retirement Benefits	1,616.00	277.00	-	1,893.00
Ind AS 116 ROU/Lease Liabilities	221.00	20.00	-	241.00
Provision for BSA commission	1,501.00	-	(1,381.00)	120.00
MSME dues outstanding more than 45 days as on March 31, 2025	63.00	-	(62.00)	1.00
Total	4,015.00	297.00	(1,446.00)	2,866.00

31.1 Deferred Tax Assets (Net)

(₹ In lakhs)

Particulars	Previous Year
	₹
Deferred Tax (Assets)	1,748.00
Net Deferred Tax Asset	1,748.00

31.2 Movement in Deferred Tax Assets / Liabilities

(₹ In lakhs)

Particulars	Previous Year			
	Opening	Addition	Deletion	Closing
Depreciation	568.00	46.00	-	614.00
Retirement Benefits	1,488.00	128.00	-	1,616.00
Ind AS 116 ROU/Lease Liabilities	211.00	10.00	-	221.00
Provision for BSA commission	-	1,501.00	-	1,501.00
MSME dues outstanding more than 45 days as on March 31, 2024	-	63.00	-	63.00
Total	2,267.00	1,748.00	-	4,015.00

32 Going Concern

The financial statements indicate that in the current year, the Company posted a profit after tax of ₹7,609.19 lakhs and has cash and bank balance of ₹3,962.28 lakhs.

The Board is satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently considers it appropriate to adopt the going concern basis in preparing the financial statements.

Accordingly, based on discussion and Management assessment, as on date there are no conditions or events, which may affect the ability of the Company to continue on a going concern basis within one year after the date the financial statements are issued or available to be issued. Also Management does not anticipate any material uncertainties which may affect its liquidity position and ability to continue on a going concern basis.

33 Proposed Dividend

In view of future expansion, the Board of Directors propose to retain all of its earning as at March 31, 2025. In view of the above, Directors do not propose any dividend for the year 2024 – 25 (previous year ` Nil)

Particulars	(₹ In lakhs)	
	Current Year	Previous Year
	₹	₹
Opening Reserves	7,563.64	5,775.72
FY 2025 Profit after tax	7,609.19	4,433.14
Interim dividend	-	-
Final Dividend paid FY.2022-23	-	(2,501.00)
Other Comprehensive Income	(512.03)	(144.22)
Closing Reserves	14,660.80	7,563.64
Dividend		
Proposed (Amount)	-	-
Closing Reserves - post dividend	14,660.80	7,563.64
No. of shares (Lakhs)	1,220	1,220
Price / share (₹)	10	10
Dividend percentage	-	-
Proposed (per share) ₹	-	-

33.1 The Company has not issued any preference shares and hence payment of dividend to preference shareholders does not arise.

33.2 The Company does not have any arrears of fixed cumulative dividends on preference shares.

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

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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

35 Ratios

Particulars	Current Year	Previous Year	Variance	Reason for Variance > 25%
(i) Current Ratio (Current Assets/ Current liabilities)	2.53	1.88	34%	Increase in Current Ratio is due to increase in Trade Receivables, Cash and cash equivalents.
(ii) Debt-Equity Ratio (Total Debt / Shareholders Equity)	NA	NA	NA	NA
(iii) Debt Service Coverage Ratio (Earnings available for Debt service / Debt Service)	NA	NA	NA	NA
(iv) Return on Equity (Net Profit after tax / shareholders equity)	0.33	0.23	39%	Increase in CY profit as compared to PY by 3,282.73 lakhs. This was mainly due to increase in Total Income and reduction in Employee cost.
(v) Inventory Turnover Ratio (Turnover / Average Inventory)	NA	NA	NA	NA
(vi) Trade Receivable Turnover Ratio (Net Credit Sale / Average Trade Receivable)	6.77	7.52	-10%	NA
(vii) Trade Payable Turnover Ratio (Net Credit Purchase / Average Trade Payables)	NA	NA	NA	NA
(viii) Net Capital Turnover Ratio (Net Sales / Working Capital)	4.25	6.09	-30%	Decrease in this ratio is due to decrease in the incremental movement in Revenue from Operations as compared to previous year movement and increase in Net Working Capital as compared to previous year.
(ix) Net Profit Ratio (Net Profit/ Net Sales)	0.07	0.04	62%	Increase in CY profit as compared to PY by 3,282.73 lakhs and increase in CY Total Revenue by 6,235.51 lakhs
(x) Return on Capital Employed	0.32	0.22	40%	Increase in this ratio is due to increase in EBIT by 5,526.68 lakhs and increase in Capital Employed by 8,994.05 lakhs
(xi) Return on Investment	0.96%	0.84%	15%	This was due to more FD's placed during CY as compared to PY and increase in Interest on Bank Deposits in CY by 204.95 lakhs

- 36 During the year ended March 31, 2024, the Reserve Bank of India (RBI) communicated to HDFC Bank Limited (the "Holding Company " or the "Bank") vide letter dated August 22, 2023 that HDFC Sales Private Limited (the "Company") may source customers only for the Holding Company and not for any other entity (including group entities of the Bank). The understanding of the Bank is that the Company is allowed to distribute insurance products (offered by group entities of the Bank) to the customers of the Holding Company (on non – risk participation basis). The Holding Company has sought a confirmation from the RBI vide letter dated September 6, 2023 on this understanding and response from RBI is awaited in this regard.
Pending this response, the Company continues to offer distribution of products of group companies to the customers of the Holding Company.

37 Other disclosures

- 1 The Company has not traded or invested in crypto currency or virtual currency during the financial year.
 - 2 No proceeding has 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.
 - 3 The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority
 - 4 The Company has not entered in to any scheme of arrangement which has an accounting impact on current or previous financial year.
 - 5 There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
 - 6 There are no charges or satisfaction which are yet to be registered with registrar of Companies beyond the statutory period.
 - 7 The Company does not have any relationship with Stuck off Companies.
 - 8 The Company has complied with the number of layers prescribed under the Companies Act, 2013.
 - 9 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- 38 The Company operates only in one Operating Segment i.e. providing commission and brokerage services on sourcing of customer for Home loan and general and life insurance policy to the customers of the Holding company in India. The Company has its operations within India and all revenue is generated within India. As such the Company has only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the Chief Operating Decision Maker (CODM).

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022

For HDFC Sales Private Limited

Nitesh Shetty

Partner

Membership No.: 123493

Mumbai, April 15, 2025

Bhavesh Zaveri

Director

DIN: 01550468

Rajeev Sardana

Director

DIN: 06648276

Priyanka Bakshi
Chief Executive Officer

Baiju Sanat Dawda
Chief Financial Officer

Chintan Kamdar
Company Secretary
ACS : 53951

Mumbai, April 15, 2025