

### Dividend

Your Bank has declared a dividend of ₹7.10 per share @ 710% for the year ended March 31, 2022.

### Progress of Implementation of IND AS

Steering Committee headed by Managing Director (Stressed Assets, Risk & Compliance) has been monitoring implementation of Ind AS in the Bank. Your Bank is already geared up for implementation of Ind AS. However, implementation of Ind AS in Banks has been deferred by RBI until further notice.



## III. Core Operations

### 1. Retail & Digital Banking Group

Retail and Digital Banking is the largest business vertical of the Bank, with 99.45% of total branches and 98.15% of the entire human resource of your Bank and comprising eight strategic business units. Your Bank is committed to customer delight at all its branches. The ever-evolving customer preferences, especially amongst the younger population is transforming the retail banking landscape.



Inauguration of President's Estate Branch, New Delhi

Your Bank's customer base is steadily increasing across the country, making Retail Banking the most prolific segment of your Bank, both in terms of deposit mobilisation and extending customised credit. Your Bank continues to be the most prominent Home Loan provider in the country and the largest dispenser of Education Loans, demonstrating its steadfast commitment to serving society.

Your Bank continues to be at the forefront of the digital banking domain with a steady stream of technology-driven innovations across various channels - digital, mobile ATM, internet, social media and branches. It has a multi-channel delivery model offering its customers a wide choice.

#### A. Personal Banking

##### 1. Home Loan

Your Bank continues to be the Largest Home Loan provider in the country. Even though outbreak of the 2<sup>nd</sup> wave of pandemic affected real estate badly,

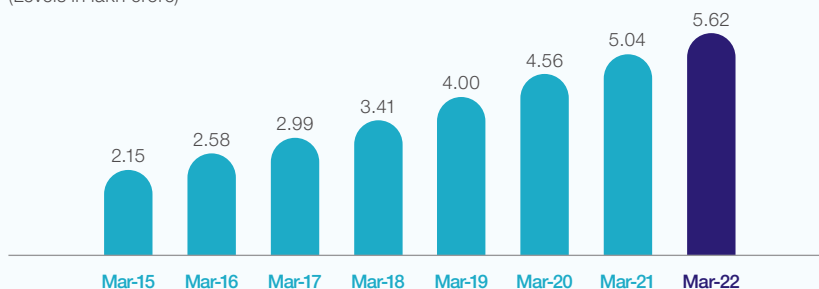
resumption of activities with relaxations in lockdowns pan India has helped in gathering momentum.

The HL/HL related portfolios of your Bank has grown from about ₹1 lakh

crores in 2011 to ₹5.62 lakh crores as on 31.03.2022. The Home loan portfolio accounted for 23.87% of whole Bank advances. Your Bank has disbursed close to ₹1.46 lakh crore of Home loans and Home related loans during FY 2022.

#### Journey over the Years (Home Loan Levels):

(Levels in lakh crore)



**Market Share:** Your Bank have been continuously outpacing the growth curve and garnered market share of 35.3% in home loans among ASCBs.

**Affordable and PSL:** Your Bank's affordable housing portfolio stands at 58.19% of its total home loan portfolio, while PSL stood at 34.15%.

**Central Nodal Agency (CNA) for PMAY subsidy:** Your Bank has been nominated as CNA by Ministry of Housing and Urban Authority (MOHUA), the only commercial bank in the country (other CNAs are HUDCO & NHB). As CNA for PMAY-CLSS scheme, your Bank has processed over 64,272 subsidy claims aggregating to ₹1,500 crore, earning income of ₹17.10 crore during FY 2022.

**Asset Quality:** Maintaining healthy Asset Quality was a challenge amid Covid-19 pandemic of the economy. Your Bank's constant proactive monitoring and follow up, soft reach out calls to customers resulted in NPA in HL falling below Mar'21 level to 0.50% by end of March 2022.

Based on RBI's Covid Relief forbearance/dispensation of moratorium & restructuring of retail loans, your Bank provided relief by way of restructuring 74,003 home loan accounts in the 2<sup>nd</sup> Phase.

**Initiatives:** Your Bank has always been instrumental in customizing and developing sustainable, creative solutions and continuously striving towards making SBI the 'No. 1 Choice of Customers' for home loans. Towards sustainable development goals, financing of cost of rooftop Solar Photo Voltaic System as part of project cost is now included in Home Loans.

**Digitisation of Loan Journey:** Retail Loan Management Solution (RLMS) and Vendor Verification Module (VVM) were introduced in loan processing to ensure uniform underwriting standards, seamless delivery & end to end digitisation of the product to ensure customer delight.

In-house developed contactless digital platforms like YONO & Online Customer Acquisition Solution (OCAS) / Retail Assets

Acquisition Solution (RAAS) are being promoted extensively as resource tools to maximise Home Loan business and boost Bank's market share further.

**Document Management Solution (DMS)** is an initiative to digitise and centralise the maintenance of Home Loan documents, to increase customer convenience which is rolled out in all CPCs.

**Tie-Ups with Builders:** Onboarding maximum projects under Builder Tie Up (BTU) provides much-needed leg-up fillip to Home Loan portfolio and improves sourcing quality besides considerably improving TAT. Your Bank has so far approved 8,578 residential projects (RERA approved) with penetration of 22.47% in these Tied Up projects.

## 2. Auto Loans

Your Bank took various initiatives to maintain volumes and market share, focusing on customer delight and convenience. Your Bank has entered into tie-up with India's two largest OEMs, MSIL & HML, by which an eligible customer can generate an instant in-principle sanction letter while booking the Car on the OEM platform. Your Bank was No. 1 on both platforms among all financiers. A new Car Loan journey on YONO was started for customers not maintaining an account with SBI. 13% of total disbursements are from a pre-approved suite. With a focus on sustainability and supporting the environment, your Bank has been offering loans for Electric PVs at a concessionary interest rate and with an extended loan tenor. In two-wheeler financing, your Bank has developed an e2e digital product, "SBI-Easyride" where the customer does not need to visit branch for the sanction of loan and disbursement.

## 3. Education Loans

Your Bank takes pride in being the largest Education Loan provider in the country. Your Bank has helped 76,301 deserving students realize their dreams by providing financial assistance of ₹10,291 crore during the year. 40% of the loans were extended to girl students (up from 37% in March 2021). To broaden the scope of Education Loans, book quality business and enhance customer satisfaction, your Bank has taken the following steps:

- Shortlisted 235 top-rated premier and reputed institutions for extending Education Loans under the Scholar Loan scheme at relaxed norms and concessional interest rates.
- Penetration through Flagship product "Global Ed-vantage Education Loans" for studies abroad was improved by extending Doorstep services in select cities.
- To ensure better tracking of loan applications and faster loan sanctioning, your Bank's Loan Origination System (LOS) was integrated with GOIs Vidya Lakshmi Portal (VLP).

## 4. Personal Loans

Personal Loans are amongst the most popular products in your Bank, and your Bank is a leader in this market segment. Your Bank is aggressively catering to the needs of the salaried class (both government and private), pensioners and self-employed/other customers. Your Bank is also extending loans to Salaried customers of other Banks through SBI Quick Personal Loans. As of 31.03.2022, the Personal Loan portfolio (Xpress credit and Pension loan) reached ₹2,85,448 crores with a YTD growth of 28.06% (₹62,119 crores). The growth is contributed primarily by the flagship product Xpress credit (₹54,934 crores), which had YTD 28.49% growth.

Your Bank launched a new unsecured Personal Loan product, "SBI KAVACH LOAN", in June 2021 for customers requiring funds for Covid treatment wherein we offered loans up to ₹5 lakhs at concessional rate of interest. We extended 1,80,056 loans amounting to ₹3,686 crores under these product.

## 5. Consumer Durable Loans for e-Commerce Purchases:

Your Bank offers two e2e products, namely POS EMI Loan and Online EMI Loan. While POS EMI loan is being provided through Pine Labs POS machines at various shops, malls, stores, and showrooms, your Bank has entered into a tie-up with Bill Desk and PayU to offer Online EMI Loan at select online shopping portals. These products are available to 1.11 crores pre-approved customers based on

their account behaviour and other AI/ML technology parameters.

## 6. Liability and Investment Products

The total deposits at your Bank grew by 10.06% during FY2022.

The total Term Deposits grew by ₹2,21,926 Crores (11.53%) during FY2022.

The total Savings Bank Deposit grew by ₹1,43,123 Crores (10.45%) during FY2022.

CASA Deposits of your Bank grew by 7.78% during FY2022. Your Bank opened 98.75 lakhs new regular Savings Bank accounts during the Financial Year.

## 7. Doorstep Banking Services

In a move towards customer convenience and ease of banking, your Bank is extending Doorstep Banking Services through agents to all customers at the top 100 banking centers for 5 key services including cash deposits & withdrawal, pick up cheques, Statement of Account, TD Advice. Additional two new services for pick up of Nomination Form and Fund Transfer request were added during the current FY.

However, Senior Citizens more than 70 years of age and Differently Abled Persons are being extended Doorstep Banking Services at all banking centres. Registration for Doorstep Banking Services is also made available through the YONO Lite app.

## 8. Video Customer Identification Process (V-CIP)

To bring the banking facility closer to customers, your Bank offers the opening of Savings Bank accounts digitally through the V-CIP process from the comfort of the home, office & convenience and more than 6 lakhs customers have joined us through V-CIP up to March 2022.

## 9. Corporate and Institutional Tie-ups for Salary Package

This year, your Bank focused on opening Salary Package Accounts for Corporate, Defence, Railways and State Govt employees through Corporate Salary Relationship Managers. The total Salary Account customer base as of Mar'22 reached more than 179 lakhs with

the opening of 4.77 lakhs new Salary Package Accounts during FY2022. 1,291 new Corporate tie-ups were established during the current FY. 292 dedicated and customized Salary Package Microsites have been created for employees of various entities to create awareness about benefits available to them under CSP.

## 10. Digital Personal Loan Offerings

While offering products on multiple platforms for portfolio growth with higher profit margins, your Bank has kept in mind customer convenience with Ease of Banking and delivered the following variants through YONO. Customers can avail of the offerings on a 24X7 basis, without any physical documentation and branch visit.

- PAPT (Pre-Approved Personal Loan)
- PAXC (Pre-Approved Xpress Credit)
- PAPNL (Pre-Approved Pension Loan)
- INSTA Top-up for Xpress Credit
- Insta Pension Loan

The Bank has sanctioned 11.40 lakh digital loans involving ₹21,118 crores during FY2022 compared to 11.60 lakh digital loans involving ₹15,997 crores during FY2021.

## 11. NRI Business

As of 31 March 2022, your Bank has around 36 lakh NRI Customers, who are being catered through 450 dedicated Specialized NRI Branches / NRI Intensive Branches in India, our foreign offices in 30 countries, 227 Global Banks as Correspondent Banks and tie-ups with 45 Exchange Houses and five Banks (in the Middle East) to facilitate remittances. To provide a one-stop service to NRI Customers' a Global NRI Centre (GNC)' has been set up at Ernakulam for all non-financial services of the Bank.

Your Bank is leading in the NRI Banking space in India with a market share of 22.38% (as of Jan 2022).

Your Bank has launched the following services in FY 2021-22 for the benefit of NRI clientele:

- The Daily limit for Forex Outward remittances through FX-Out (INB Channel) from NRE Account is enhanced from ₹10 lacs to ₹18 lacs per day.

- IMPS facility extended for NRI Customers for instant financial transactions in Internet Banking and Mobile Banking.
- Interest Certificate available to NRI Customers over INB for the previous two years (both financial and calendar years).

## 12. Precious Metals

**Sovereign Gold Bonds (SGB):** The Government of India introduced a sovereign Gold Bond Scheme during FY 2015-16 to promote Digital Gold. Your Bank, during FY 2021-22, mobilized 3,052 Kg Gold (₹1452 Crores) under the scheme.

**Gold Monetization Scheme (GMS):** To mobilize gold lying idle in households and institutions, the Government of India introduced Gold Monetization Scheme during FY 2015-16. During FY 2021-22, your Bank mobilized 2,901 Kg Gold.

## Other Gold Business

**Metal Gold Loan (MGL):** In addition to mobilizing Gold under GMS, Bank offers Metal Gold Loan to jewellers engaged in manufacturing gold ornaments for domestic and export purposes. During FY 2021-22, your Bank extended Metal Gold Loans of 15.94 MT amounting ₹7,461 crore.

**Sale of Gold (SOG):** The Bank also offers the Sale of Gold (SOG) Scheme to Jewellers/Traders. During FY 2021-22, your Bank sold 2.7 MT Gold under the Scheme.

## 13. Wealth Management Business

The Bank's Wealth Management Services are offered at 74 major centres across the country through a network of 172 Wealth Hubs and five e-Wealth Centres.

SBI Wealth has shown exponential growth in terms of Investment AUM and clients during FY2022. The Investment AUM has increased from ₹8,592 Crore to ₹14,317 crore, and the number of Clients increased from 2,55,196 to 2,97,246. The AUM of Clients also increased from ₹2,07,167 Crore to ₹2,52,061 Crore for the same period.

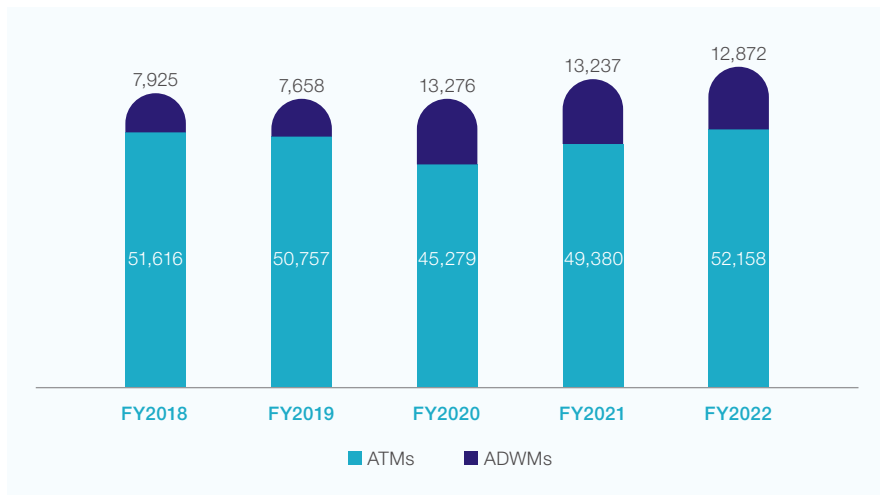
SBI Wealth has been chosen as one of the Best Brands of 2021 by The Economic Times.

## B. ANYTIME CHANNELS

### 1. ATMs and ADWMs

Your Bank has one of the largest ATM networks in the country, with 65,030 ATMs, including Automated Deposit and Withdrawal Machines (ADWMs), as of 31<sup>st</sup> March 2022. Your Bank has its ATM

presence throughout the country, even in the most challenging locations. These include a floating ATM at the Dal Lake, Srinagar; on the jetties of Ernakulam and Vypeen in Kerala; in the Tea Gardens of Assam; and on the islands of Andaman & Nicobar, and Lakshadweep among others.



SBI also has set up (Mobile ATMs), which help extend customer service during emergencies and calamities like floods, cyclones, lockdowns, among others. These mobile ATMs are also sent to various sites like Army Base, Housing societies, Govt. Office locations, IT-Tech Parks among others.

Bank's market share in the number of installed ATMs and ADWMs is 29.8% and handles the highest share of cash (34%). On average, ~1.32+ crore transactions are recorded every day at your Bank's ATMs and ADWMs.

Your Bank adopts cutting-edge technologies and regularly upgrades and replaces the ATMs for Safe & Secure Banking.

To strengthen the security of ATM cash withdrawals against skimming, cloning, and theft of cards by fraudsters, your Bank has implemented 24x7 OTP verification feature for all cash withdrawal transactions of ₹10,000 and above, apart from processing each transaction through the more secure EMV Chip of the card.

**SWAYAM Barcode based passbook printing kiosks:** Your Bank has installed 19,500 SWAYAMs (Barcode based passbook printing kiosks).

**Green Channel Counter (GCC):** Your Bank has deployed GCC terminals at retail branches for transactions through Debit cards to promote Green Banking. Transactions facilitated are- cash withdrawal, cash deposit, funds transfer within SBI accounts, Balance Enquiry, Green PIN generations and PIN Change and Mini Statement. Transactions are enabled only on EMV compliant GCC Terminals.

**Green Remit Card (GRC):** The GRC is a cash deposit card through which funds can be deposited to a pre-defined account of your Bank by GCCs, CDMs and ADWMs. Cash deposit facilities through GRC are available 24\*7 at CDMs and ADWMs and are helpful, especially for migrant workers. The transaction limit for GRC is ₹25,000 per transaction with a monthly cap of ₹1,00,000.

### Cheque Deposit Kiosk (CDK) and Smart CDK:

The CTS enabled self-service Cheque Deposit Kiosks (CDK) facilitate customers to deposit their CTS cheques hassle-free. The kiosks have been deployed at 2,500 branches where outward clearing cheques are more than 50 per day. A receipt with a scanned copy of cheques and details such as cheque number and payee account number is generated for the depositor. Smart CDK functionality in YONO applications facilitates customers to deposit cheques in bulk (10 cheques at a time) from the convenience of their location and deposit cheques in CDK through reference number.

### 2. Positive Pay System

As per RBI directives, your Bank has implemented the Positive Pay System (PPS) for all cheque payments (Cash/ Transfer/Clearing) effective from 1<sup>st</sup> January 2021. This is a measure to prevent frauds perpetrated through cheque tampering/alteration. Positive Pay System involves re-confirming critical details of the cheque by drawer to the Bank, which would be cross-checked with the presented cheque at the time of payment processing. Registration for availing PPS can be done through any of the Bank's Branches or alternate channels, viz. RINB, CINB, Mobile Banking (Yono Lite), YONO (Mobile App) and providing details of cheque on issuance can be done through the same channels and SBI Quick (SMS) additionally. As of 31<sup>st</sup> March 2022, more than 49 lakhs of your Bank's customers have opted for Positive Pay System.

### 3. Setting up of Cyber Cell

To combat Cybercrimes, the Ministry of Home Affairs has rolled out a cybercrime reporting Portal with a dedicated email and a helpline number 1930 to report cybercrime incidents by the Victims. To support this new initiative of the Government of India, Cyber Crime Cells have been set up at all 17 Circles, for attending to customer complaints in respect of cyber frauds. As of 31<sup>st</sup> March 2022, 89,871 complaints have been attended, and ₹9.40 crore are placed under 'hold' or 'saved'.



#### 4. Customer Value Enhancement

Your Bank is a Corporate Agent of SBI Life Insurance Co. Limited and SBI General Insurance Co. Limited. It has a Distribution Agreement with SBI Mutual Fund, SBI Cards & Payment Services Limited and SBI Cap Securities Limited to distribute their products. Your Bank also distributes mutual fund products of UTI Mutual Fund, Tata Mutual Fund, Franklin Templeton Mutual Fund, L&T Mutual Fund, ICICI Mutual Fund and HDFC Mutual Fund. In addition, all branches are authorized to open NPS accounts under National Pension Scheme.

Initiatives and successes for FY2022 are mentioned below:

##### SBI General

The current year has witnessed significant migration of transactions over digital channel. During the year approx. 51 lakh PAI policies were mobilized through YONO. Health Insurance contributes 20% of the total premium mobilized.

##### SBI Cards & Payment Services Limited

Your Bank is leveraging technology for customer segmentation, which has resulted in the sourcing of approximately 16.54 lakh cards through SBI branches in FY2022. Card issuance through digital journey has been received very well by customers and is on a rising trend.

##### SBI Pension Funds Pvt. Ltd.

Your Bank has upgraded its systems to provide end-to-end digitization for instant NPS account opening. Your Bank mobilized over 1.75 lac NPS accounts during FY 22 with a market share of 22%.

##### SBICAP Securities Limited (SSL)

Bank has sourced over 7 lakh Demat and Trading accounts, contributing more than 85% business mobilization of SSL. An e2e Demat and Trading account journey has been launched on YONO.

#### 5. Internet Banking and E-Commerce

YONO is a flagship mobile banking and lifestyle app and one-stop-shop offering, not just financial services but also a gamut of investment, insurance, and shopping solutions. With a Digital-First approach, it is part of Bank's continuous endeavour to

provide innovative digital banking solutions to all customers across the country.

YONO has crossed many milestones with 111.74 million downloads and 48.35+ million registrations, till 31.03.2022, with increasing momentum in adoption and progressively higher user engagement.

##### Key Performance Highlights of YONO for FY2022:

SIM Binding feature was implemented on YONO App on 22.08.2021 to enhance the security features. This feature will ensure that the App will function only on the device where the SIM of the Bank's Registered Mobile number is present.

**Customer Onboarding:** Significant momentum was observed in new customer onboarding, with ~96% of eligible savings accounts being opened through the YONO platform.

**NPS account opening through YONO mobile app** has been launched on 27<sup>th</sup> Sept 2021. It is a complete end-to-end process wherein the customer is not required to submit the physical form to CRA (Central Recordkeeping Agency). PRAN is generated instantly. 49,051 accounts have been opened, during the year which represents 29.60% of accounts opened at the Whole Bank level.

**YONO Krishi:** YONO Krishi, a comprehensive multi-lingual platform for agriculture segment customers, launched in 2019, is an initiative by the Bank to make our farmer customers future-ready by offering them constant digital innovations pertaining to their agricultural needs. By the end of FY2022, more than 24 lakhs YONO Agri Gold Loans amounting to ~₹37,500 crore were sanctioned through YONO Krishi.

**Simplified KCC Review** through the YONO process was launched in August 2020, wherein the customer can get their KCC account reviewed online without visiting the branch in a paperless, presence less manner.

**SAFAL (Simple and Fast Agriculture Loan)** - A Pre-approved loan, first of its kind in the Agriculture segment, was launched in September 2021. The product

is available for farmers engaged in Dairy activity and associated with Corporates under Tie up through an arrangement with Bank. Farmers can avail of loans up to ₹3.00 Lakh without collateral security through this simplified, digitized process with minimal documentation. 316 SAFAL loan accounts amounting to ₹1.69 crore, and 34 Corporates have been onboarded by the end of FY2022.

**Online marketplace:** In FY2022, 111 merchant partners were live on the B2C Market Place platform (including Mitra and Mandi), witnessing 6 lakh+ transactions amounting to ~₹1,255 crore + worth of Gross Merchandise Value during the FY2022. This platform generated more than 20,000 auto loan leads for your Bank.

## 2. SMALL AND MEDIUM ENTERPRISES

Your Bank is a pioneer and market leader in SME financing with 829 SME intensive & dedicated branches across India. With over 18 lakh customers, the SME portfolio of ₹3,05,517 crore, as of 31<sup>st</sup> March 2022, accounts for nearly 10.83% of your Bank's total advances. Your Bank has always held SMEs as an important segment, considering their role in the Indian economy and for their contribution to the country's manufacturing output, exports, and employment generation. Being committed to providing innovative and straightforward financial solutions, your Bank's approach to drive SME growth rests on the following three pillars: a) Customer Convenience, b) Risk Mitigation, and c) Technology-based digital offerings and process improvements.

### 1. Customer Convenience

To build and sustain the momentum for transforming India, the Bank has created the highest number of touchpoints in branches and other channels. To enhance the ease of business for the Small and Medium Enterprises, your Bank has modified its existing delivery model of the Small and Medium Enterprises Centre (SMEC) and created Asset Management Teams (AMTs) to maintain end-to-end relationships with the customers for loans up to ₹50 lakh. Loans above ₹50.00 lakhs are handled by the Relationship Manager (SME) for better customer connect. As of 31<sup>st</sup> March 2022, 1,810 RMs (SME) were active across India.

To focus on improving our connection with customers and strengthening our SME business, 104 Assistant General Managers (SME) have been posted across all zonal offices.

## 2. Digital Offerings

Your Bank is leveraging technology in every aspect of the value proposition from business, designing products, streamlining processes improving delivery to monitoring. Furthermore, it has taken several initiatives to build an SME portfolio that is risk mitigated. It has implemented significant changes in (i) Product suite, (ii) Process (iii) Delivery to ensure Ease of Banking.

### Loan Life-Cycle Management, Online Loan Application and Online Lead Status:

Your Bank hosts an online loan application and tracking facility for MSME borrowers on the corporate website. Loan Organisation Software (LOS-SME) and Loan Lifecycle Management (LLMS) adopt uniform credit dispensation standards to ensure quality and preserve corporate memory.

### Customer Relationship Management (CRM):

Your Bank has introduced a CRM system as an integrated platform to engage with customers throughout their lifecycle, enhance understanding of customers' requirements and strengthen the customer-centric approach of the Bank. The CRM portal has been designed to generate leads in CRM applications through various channels, better monitoring mechanism of leads at multiple stages, and booking increased business with lower TAT through customer connect. The Customer 360 view is also available in CRM, apart from lead monitoring.

### Contactless Lending Platform (CLP):

State Bank of India in collaboration with SIDBI and other PSBs has developed a Contactless Lending Platform (psbloansin59minutes.com) for loans to MSME. CLP provides easy access for loans to SMEs registered on the GST platform and filing Income Tax returns. Using the platform, your Bank is sourcing leads for loan requirements from ₹1.00 lakh to ₹500.00 lakh. In FY2022, 7,661 MSME loans have been sanctioned, amounting to ₹2,526.90 crore.

### Project Vivek

Project Vivek heralded a paradigm shift in your Bank's appraisal system from traditional Balance Sheet based funding to a more objective appraisal system of leveraging cash flow and other information sources bringing objectivity to better risk assessment. It reduces Turn Around Time (TAT), resulting in a better customer experience. In FY2022, 35,589 proposals were processed under Project Vivek. Further, technical enhancements were done to the project during the year to improve the underwriting process. The simplified Automated Quick Renewal process under Project Vivek is being popularised to simplify the process of renewal of Fund Based Working Limit.

### SME Gold Loan

Your Bank has introduced a simplified product, viz., SME Gold Loan, to provide short term credit support to MSME Units against the security of Gold Ornaments/ jewellery with simplified assessment and easy sanction. MSME units bridge their liquidity gaps with ease.

### Pre-Approved Business Loan (PABL)

Your Bank has launched a simplified PABL product – An analytics product for sanctioning loans up to ₹10 lakhs for current account customers. Your Bank also launched the Digital Retailer Finance programme. A total of 1,800 retail traders supported a pilot run.

### SME Finance For CAs under CLP

This is simplified, scoring based product available on the Contactless Lending Platform (CLP). Under the product, collateral free loans are offered to CAs and covered under CGTMSE with EBLR linked pricing.

### COVID-19 Enablers

In line with the RBI's regulatory package, sanctions are given under GECL to ensure prompt disposal and release of funds. GECL scheme will continue till 31<sup>st</sup> March 2023.

Your Bank is also participating in the Sanjeevani scheme for SME loans for the healthcare sector for existing hospitals, nursing homes, clinics and medical colleges.

Your Bank also participates in disbursing Aarogyam Healthcare Business Loans, which covers the entire healthcare ecosystem under the product. The stakeholders included are hospitals, nursing homes, diagnostic centres, pathology labs, manufacturers, suppliers, importers, and logistic firms engaged in critical healthcare supply.

### Competitive Rates of Interest

Your Bank has linked all floating rate loans to Micro, Small and Medium Enterprises (MSMEs) to External Benchmark w.e.f. 1<sup>st</sup> October 2019.

### Trade Receivables Discounting System (TReDS)

The Bank was the first among all PSBs to register as a financier on the TReDS platform, set up to provide finance to MSMEs. We have presence on all the three TReDS platforms in the country, i.e. RXIL, M1 exchange and Invoicemart. Your Bank has been actively participating in the online biddings on the platform and has been offering very competitive rates for the benefit of MSMEs. In FY2022, 14,208 Bills aggregating ₹2,668 crore were discounted.

### Supply Chain Finance

Leveraging Bank's state-of-the-art technologies and vast branch network, your Bank continues to be a significant player in Supply Chain finance by strengthening its relationship with the corporate world across various sectors. Your Bank has extended supply chain finance to over 31,000 dealers and over 12,260 vendors with total sanctioned limits of over ₹38,680 crore (e-DFS) & ₹5,825 crore (e-VFS). Thirty-seven new tie-ups were established during the financial year, including CG Power & Industrial Solutions Limited, Skoda, Honda India Power Limited, Bajaj Auto Limited, Nestle India Limited, Ambuja Cement Limited, Trident Limited, and Tata Consumer Products Limited, among others. New e-DFS limits of ₹5643 crore were sanctioned in this financial year up to 31<sup>st</sup> March 2022. To ring-fence the supply chain portfolio, your Bank has put suitable risk mitigation measures and risk-based pricing for the Supply Chain Portfolio. Being the country's largest lender, your Bank has also undertaken a leadership role in implementing proactive measures

to support the dealers availing of the e-DFS facility during the covid pandemic related business slowdown. Your Bank has simplified e-VFS processes and built a front-end digital interface for a vendor to enhance customer experience.

### 3. Business Partnerships and Tie-ups

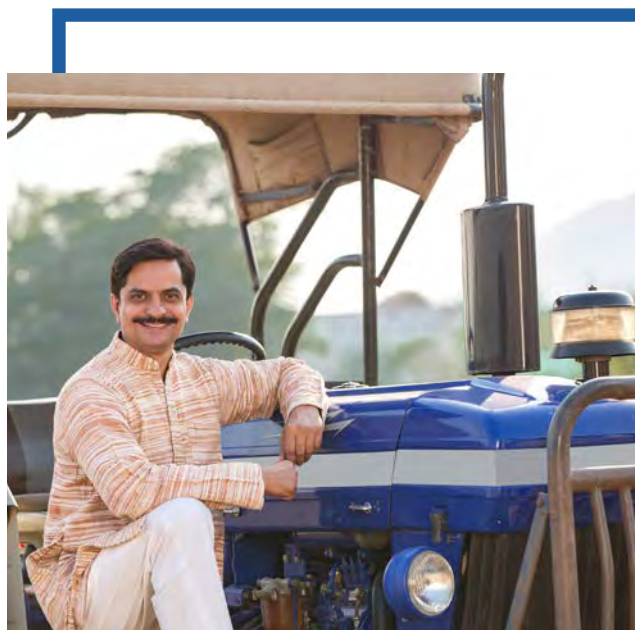
**Warehouse Receipt Finance:** Your Bank has introduced a Warehouse Receipt Financing scheme (WHR) for financing against Warehouse Receipts issued by collateral managers having a tie-up with the Bank. Under the scheme finance is extended to traders/ owners of goods/ manufacturers etc. Further, WHR issued by Central Warehousing Corporation (CWC) and State Warehousing Corporation (SWC) would also be eligible for WHR finance. SBI has also tied up with repositories NERL &

CCRL for financing against e-NWR and NEML (a subsidiary of NCDEX) for the e-auctioning of NPA/stressed accounts under WHR Financing scheme.

### 3. Rural Banking - Agri Business

Your Bank's lending under Agriculture & Allied activities has crossed the milestone of ₹2,27,000 crore during this financial year, catering to more than 1.42 crore farmers. During the year, the Agriculture Gold loan portfolio has increased to ₹73,601 crore in FY2022 from ₹66,878 crore in FY2021.

Under Atmanirbhar Bharat schemes viz. Agri Infrastructure Fund (AIF), Animal Husbandry Infrastructure Development Fund (AHIDF) and PM Formalization of Micro Food Processing Enterprises (PM FME), your Bank has disbursed loans to 1,400 borrowers amounting to ₹806 crore.



*Atmanirbhar Bharat schemes viz. Agri Infrastructure Fund (AIF), Animal Husbandry Infrastructure Development Fund (AHIDF) and PM Formalization of Micro Food Processing Enterprises (PM FME) has changed the landscape of Agri Business.*

### 1. Micro Credit:

Your Bank has won the National Award for the Highest SHG bank linkages consecutively for 2017-18, 2018-19, 2019-20 and 2020-21 instituted by the Ministry of Rural Development, New Delhi.

Your Bank has the second-highest market share in SHG loans outstanding among all banks, with outstanding loans of ₹24,023 crore to 8.71 lakh SHGs as of 31.03.2022, covering more than 85 lakh women members. SBI's market share of loans under the National Rural Livelihood Mission is the second-highest among PSBs, which is 25.80% as of 31.03.2022.

Since the inception of Deendayal Antyodaya Yojana (DAY-NRLM), your Bank has financed 29,35,453 SHGs under Bank-SHG Linkage and disbursed ₹66,821 crore up to 31.03.2022.

Your Bank has disbursed ₹882 crore under the e-Mudra scheme for Microfinancing enterprises up to ₹50,000 since inception. In the Current Financial year, 1,24,763 loans have been sanctioned, and ₹562 crore have been disbursed up to 31.03.2022.

Your Bank has launched "PM SVANidhi Loans" with effect from 02.07.2020 to support the livelihoods of street vendors during the Covid-19 pandemic. In FY 2021-22, we have disbursed 3,48,041 loans, amounting to ₹406 crore to Street Vendors under both tranche I & II, as of 31.03.2022.

### 2. Digital step, collaborations:

Currently, your Bank has an Agri Gold loan and KCC review on YONO Krishi digital platform. Your Bank has launched YONO Krishi SAFAL Dairy during the year, an end-to-end digital product for financing dairy farmers. Your Bank has also embarked upon digitising all the journeys in Agriculture.

To address high volume and low-value ticket loans in Agri-Business with a digital optimisation strategy, your Bank is onboarding AgriTech-BCs with differentiated Business Models. These AgriTechs will help source, service, and collect Agri and Microcredit products.

Credit disbursements to the farmers over the years are as follows:

### Flow of Credit to Agriculture

(₹ in crore)

Year	Target	Disbursement	% Achievement
FY2019	1,16,315	1,56,385	134
FY2020	1,27,947	1,77,473	139
FY2021	1,74,468	1,98,268	114
<b>FY2022</b>	<b>1,92,500</b>	<b>2,19,396</b>	<b>114</b>

To enhance our reach to the unserved & underserved populace, we have signed MoUs with seven NBFC MFIs under the Co-lending model.

Your Bank has executed agreements with 19 National Business Correspondences (BCs) and 42 State Level BCs to collect repayments in Standard overdue accounts. 57,145 Customer Service Points (CSPs) have been mapped with 14,657 branches for collection on 31.03.2022.

### 3. Financial Inclusion (FI)

Your Bank has aligned its business goal with national priorities, and focused attention is given to a range of financial inclusion activities. SBI has made impressive strides toward financial inclusion through a vast network of Business Correspondents (BCs) and Customer Service Points (CSPs). As of 31<sup>st</sup> March 2022, your Bank has 68,016 CSPs providing access to around 26 banking products and services in unbanked areas while reducing footfalls in the branches. The BC/CSP channel has recorded ~54.44 crore transactions amounting to ₹2,87,857 crore during FY2022.

The BC/CSP channel is increasingly becoming one of the most crucial drivers of financial inclusion initiatives of the Bank. The channel has opened 14.20 crore BSBD accounts with ₹42,450 crore deposits and has brought the unbanked/under-privileged section of the society under the ambit of the formal Banking system. To fulfil the needs of social security measures, low-cost microinsurance products (PMJJBY, PMSBY) and pension schemes (APY) are provided to the unorganised sector in a significant way, covering around 10 crore customers.

### 4. Imparting Financial Literacy (FLCs)

Your Bank has set up 341 FLCs across the country to impart free financial literacy, credit counselling, and the propagation of electronic payment systems. Furthermore, as a part of the RBI initiative to propagate awareness of financial products among the rural masses, your Bank has also set up 189 Centre for Financial Literacy (CFLs) at the block level, which will be scaled up to 235 in the near future.

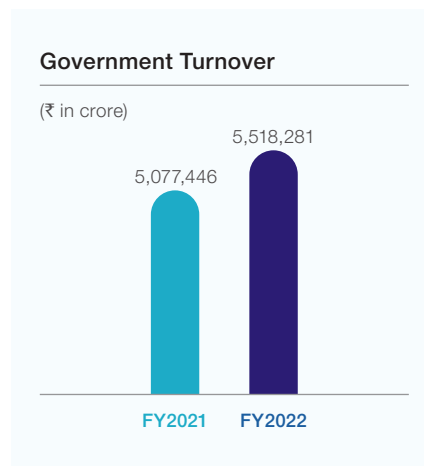
### 5. Rural Self Employment Training Institutes (RSETIs)

Your Bank has set up 152 RSETIs spread across 26 States and 3 Union Territories. RSETIs act as social change agents, empowering rural youth towards sustainable livelihood through skill development and training, helping them establish their micro-enterprises, thereby creating rural employment and wealth creation. During the ongoing pandemic, the Bank's customer service points across the country served under challenging terrains/conditions to meet the financial requirements of the people in need.

### 4. Government Business

Your Bank is at the forefront in conducting Government Business and is an accredited banker to major Central Government Ministries and Departments. SBI is the market leader in Government Business, with a market share of over 63% in Central Government Turnover.

Particulars (₹ In crore)	FY2021	FY2022
Government Turnover	50,77,446	55,18,281
Commission	3,618	3,713



It is a matter of pride that SBI is one of the significant bankers to the Government of India. Your Bank is continuously engaged in developing customized technology solutions to keep pace with the Government's digital initiatives facilitating the transition to the online mode, providing greater efficiency and transparency, resulting in ease of doing business and

ease of living for the citizens. SBI is actively engaged in implementing Social Security Schemes of the Government of India, namely PM Kisan Samman Nidhi Yojana, Pradhan Mantri Kisan Maandhan Yojna, and PM Garib Kalyan Yojna for PMJDY Women Beneficiaries. The key initiatives for FY2022 include:

**PM Kisan Samman Nidhi Yojana:** As an accredited Bank to the Ministry of Agriculture & Farmers Welfare, your Bank facilitated the distribution of ₹62,439 crore under the scheme.

**Direct Benefit Transfer (DBT):** All the major schemes of Direct Benefit Transfer (DBT) of GOI and State Governments are being implemented through your Bank on a pan India level. State Bank of India is the sole banker for processing the Direct Benefit Transfer of LPG subsidy (DBTL).

**Ministry of Rural Development:** Your Bank has successfully onboarded Haryana, Assam & Rajasthan State Governments on e-Tendering Solution for collecting EMD by NRIDA (National Rural Infrastructure Development Agency). The onboarding process for Pradhan Mantri Gram Sadak Yojna is in process. All the remaining State Governments are scheduled to be onboarded in a phased manner.

**Ministry of Defence (MoD):** Ministry of Defence has launched a SPARSH portal for centralized processing pension of Defence pensioners. Your Bank has entered into an agreement with MoD for providing various services to defence pensioners on the SPARSH portal through our 446 (defence pensioner intensive) branches.

**Armed Forces Battle Casualties Welfare Fund (Maa Bharti ke Sapoot):** Ministry of Defence has planned to launch 'Maa Bharti Ke Sapoot' to raise funds for Defence Personnel. Your Bank has opened an account in the name of "Armed Forces Battle Casualties Welfare Fund" to receive online donations from the citizens through SBI Payment Gateway.

**Ministry of Railways:** The Ministry of Railways developed an exclusive Portal for e-Freight. SBI has integrated SB MOPS with their Portal. For collecting receipts, the Ministry of Railways has developed



e-Receipts Systems (MERS). SBI has integrated with MERS through SB MOPS to collect the funds and has provided a seamless system for the settlement of funds.

**Department of Posts:** MoU has been executed for the Centralized Integrated Payment System (CIPS) to take care of entire Postal Payments.

**Centrally Sponsored Schemes (CSS) under Single Nodal Account mechanism:** Govt. of India has issued directions for implementing the Single Nodal account (SNA) mechanism (subsidiary accounts of implementing agencies (IA) with allocated limits) for monitoring the utilization of funds released under Centrally Sponsored Schemes (CSS). Your Bank has onboarded TCS to develop a new application for CSS under the SNA mechanism as per GOI guidelines.

**Pension Payments:** Your Bank has been administering pension payments to 52.96 lakh pensioners. New pension accounts of 3.40 lakh pensioners have been added in FY2022. Your Bank has launched a Video Life Certificate facility for pensioners which allows pensioners to submit their Life Certificates through video.

**Small Savings Schemes:** Your Bank services more than 85.04 lakh PPF accounts, 22.74 lakh Sukanya Samridhi Yojana (SSA) accounts and 11.69 lakh Senior Citizen Savings Schemes (SCSS) accounts, making it the highest among all the authorized banks. During FY 2021-22, 4.62 lakh PPF accounts, 2.43 lakh SSA accounts and 1.40 lakh SCSS were added.

**Online extension of PPF accounts:** This feature has been rolled out to customers to renew their PPF accounts online. The facility has been rolled out for sending an SMS alert to the PPF customers reminding them of the account renewal if they wish to extend.

## 5. Digital & Transaction Banking (D&TB) - Marketing

D&TB Marketing, erstwhile known as the Transaction Banking Unit (TBU), leverages the latest technology to provide clients with comprehensive transaction-related

products and solutions. The objectives of TB business in your Bank are to adopt new technology initiatives catering to clients' bulk transaction requirements and other value additions like customised MIS, integration with ERP, and a dedicated single point Client Support Cell, among others. Study and analysis of transaction patterns enable your Bank to develop non-traditional techniques for assessing other Banking requirements like Credit, Fund Management, Cross-Selling and other services for clients.

Technology advancements are continuously implemented towards back-end processes and robust customer service delivery channels. The key to customer satisfaction is delivery, and to deliver the finest services to our clients, your Bank has added new solutions like VAN based Cash & Cheque Collections, Digi Voucher & NACH off-us.

Your Bank has a multi-channel delivery model, which allows it to offer its clients a choice to carry out transactions through any channel, at any time and any place. Your Bank offers a wide range of TB products to Corporates, Mid-Corporates, Government Departments, Financial Institutions, NBFCs, Insurance Companies, Banks, Mutual Funds and SME Clients to facilitate their fund management requirements.

The Corporate customers are serviced by a dedicated team comprising of several sub-teams focused on specific areas to facilitate specialisation and tailored product offerings to clients. Your Bank was recognised as "Best Cash Management and Transaction Bank in India" by Asian Banker Magazine, Singapore, under Transaction Finance Awards 2021.

Current Account (CA) balances contribute directly to the profitability of your Bank by reducing the Cost of Deposits (COD) and improving Net Interest Margin (NIM). CA remains a critical component of the CASA deposits. SBI has a bouquet of CA products which are competitive in the market and meet the requirements of different customer segments. Your Bank has taken various initiatives to improve the CA business, and they include:

### People:

- Training on YONO Products, CKYC & Online Current Account opening held for RMCAs (Relationship Manager Current Accounts).
- High-value Current Accounts (CAs) mapped to RMCAs.
- SSL executives being provided for Feet on Street (FOS) support.
- Updation of the KRAs in line with the revised role.
- Two days of training for soft/ hard skills at SBICB Hyderabad for RMCAs, including 4-days training for navratna centre RMCAs.

### Process:

- Revised AOFs, which are more User-friendly.
- Online CA Opening facility.
- CKYC for Digital transmission of AOF & KYC documents. It will help in improving TAT in the CA opening. SOP, Trainings, SMS, emails for the same.
- Functionality for Back-end conversion of CAs to CCOD for compliance with RBI guidelines.
- CIC Report (for compliance with RBI guidelines) made available for operating functionaries.

### Products:

- Integration of MCA SPICe Form for CA opening (Under development).
- Shubharambh Start-up Current Account for Start-up entities.

### Technology:

- Enhanced CA visibility on SBI Corporate Website.
- Mobiliser Code for mapping of Marketing Executives.
- CA Re-imagined Journey through YONO business to simplify CA opening process.

As on Mar 2022, Daily Average Balances in Current Accounts have positive YOY growth of ₹23,938 crore (12.96%) from ₹1,84,669 crore (March 2021) to ₹2,08,607 crore (March 2022).

**SBlePay:** SBI is the only bank in India to have its own 'Payment Aggregator Services' (SBlePay), which was launched in March 2014. Unlike other banks, which rely on the services of private aggregators, SBI has an in-house aggregator, which, when coupled with SBI's own PG services, gives SBI the security and a distinct cost advantage over other aggregators and banks. Additionally, Government merchants prefer having their data handled by SBlepay over private aggregators.

Your Bank has on-boarded over 1391 merchants, including Central/State Govt. Departments, Universities, Charitable trusts, private Merchants/ institutions, among others. Your Bank is integrated with 40 significant Banks for INB transactions. It uses SBI PG for Debit and Credit Cards of VISA, Master and Rupay, and Prepaid Card, directly integrated with Amex and PayPal. It also has Cash & Cheque (Branch Payment), NEFT & UPI, and UPI QR Code as a payment mode. The link-based payment option has been rolled out for merchants to accept online payments without needing a Website.

Merchant on-boarding on SBlePay registered a YoY growth of 73.87% by on-boarding 346 merchants in FY2022 over 199 merchants in FY2021. YoY growth in Fee Income went up by 70.71% from ₹26.1 crore in FY2021, to ₹44.45 crore in FY2022. The turnover in transaction value registered a Y-o-Y increase of 55.30%, with transactions amounting to ₹84,934 crores in FY2022 over ₹54,690 crores in FY2021.

**SBI e-pay plans:** Increasing payment options by integrating with Payment Wallets, Channels.

- On-boarding large Corporates, Private merchants & Universities with large transaction volumes.
- Integrating with typical Portals/ Technology service providers for continuous business through a single integration.
- Digital on-boarding of a merchant with the online upload of merchant KYC and on-boarding agreement.
- Validation of GSTIN & PAN while on-boarding the merchants digitally

## YONO Business

YONO Business is an integrated platform (available on both mobile App and desktop) designed to serve a whole range of banking needs –Trade Finance, Forex, Cash Management, Internet Banking and Supply-chain finance – for corporate customers across categories, from the biggest conglomerates to emerging start-ups.

Key Performance Highlights of YONO Business (as of 31<sup>st</sup> March 2022):

- YONO-B platform adoption: 17.53 lakhs Corporate Users have used YONO Business by the end of FY2022.
- Customer Onboarding: 1,39,413 New to Digital customers were onboarded till FY2022 through the YONO Business portal.
- Import LCs: Processed issuance of 23,883 Import LCs amounting to ₹1,67,279 crores with 66% being Digital LCs, a jump from 7% in FY2019.
- Forex Rate Booking: Facilitated forex booking of more than ₹23,602 crore with 23,618 transactions by the end of FY2022.
- PABL/PABL-POS: 13,372 of Pre-Approved Business Loans (PABLs) amounting to ₹551.92 crores were opened by the end of FY2022.
- YONOB Mobile App Adoption: The registered user base of the YONOB mobile App is 6.19 lakhs by the end of FY2022. Total downloads since 1<sup>st</sup> July 2020 (date of launch) are 20.01 lakh.
- Current Account Opening: Facilitated online requests for the opening of 1,01,248 current accounts by the end of FY2022.
- API Banking: API Sandbox environment has been created where customers can explore the sandbox and subscribe for UAT and production. Payment APIs enable posting from the customer's ERP to Bank's CBS via YONO Business. Two types of Payment APIs are available: STP (direct posting) and non-STP (request initiated from customer's ERP and approved by corporate checker in YONO Business).

## 6. Corporate Banking

### A. Corporate Accounts Group (CAG)

Corporate Accounts Group (CAG) is a dedicated Business Unit (BU) of your Bank. It handles SBI's 'high-value credit' portfolio as a specialised and efficient delivery platform. The CAG BU has four specialised Branches headed by General Managers located in India's top three commercial centres, namely Mumbai (2), Delhi (1), and Chennai (1).

In SBI, CAG BU is a one-stop-shop that provides a wide range of financial products and services exclusively to top-rated corporates, including their foreign associates and subsidiaries. The business model of CAG BU is based on the relationship management concept, and each client/business group is mapped to a relationship manager who spearheads a cross-functional client service team consisting of highly skilled credit and operations functionaries.

The relationship strategy is anchored on delivering integrated and comprehensive solutions to the clients, including structured products within a specified time frame. The prime objective of the plan is to make SBI the first choice of top corporates. A regular review of each corporate relationship by senior management sets the benchmark for relationship management in CAG BU.

Apart from various core credit products, CAG BU offers an array of customer-specific products like Cash Management Product, Treasury and Forex products and Merchant Banking products in association with other SBUs and subsidiaries of SBI such as SBI Capital Markets Limited and SBI Gilts Limited, amongst others.

Client Service Teams at CAG Branches also aid customers in the selection and delivery of a wide variety of products and services offered by SBI's associates and subsidiaries listed below:

- For Capital Market Requirements – SBI Capital Markets Limited (SBICAPS)
- For Treasury and Investments – SBI Gilts Ltd and SBICAP Securities Limited
- For Investments – SBI Mutual Fund Limited

- For General and Life Insurance – SBI General Insurance Company Limited and SBI Life Insurance Company Limited
- For Receivables factoring – SBI Global Factors Limited
- For Custodial Services Banking to Foreign (FII, FPI, FVCI) & Domestic Institutional Clients – SBI Societe Generale Global Securities Services Pvt. Limited (SBI-SG)

To align with the changing banking landscape, your Bank has created two specialised units within CAG BU:

**Corporate Solutions Group (CSG)** - looking at 360° banking requirements of corporate customers in significant sectors, namely FMCG, Auto, Agri, Pharma, and IT, to cover their entire ecosystem and with a focused thrust on existing as well as new-to-bank customers.

**Financial Institutions Group (FIG)** - to address credit, transactional, general banking and non-banking requirements of Financial Institutions such as Insurance Companies, Brokerage Firms, Banks (Private and Foreign), Mutual Funds, FDI and FPI entities.

The total loan portfolio of CAG BU as of 31<sup>st</sup> March 2022 was ₹6.18 lakh crore (fund based – ₹4.02 lakh crore and non-fund based – ₹2.16 lakh crore) compared to a total loan portfolio of ₹5.42 lakh crore (fund based – ₹3.61 lakh crore and non-fund based – ₹1.81 lakh crore) as on 31<sup>st</sup> March 2021. Demand for credit has picked up in the second half of FY2022, resulting in ₹0.76 lakh crore net credit growth at the CAG BU. Major top corporates of the country and Navratna PSUs are esteemed customers of the CAG BU.

## B. Treasury Operations

Global Markets performs domestic Treasury Operations of your Bank and is responsible for deploying surplus funds to achieve desired risk-adjusted returns. Global Markets' portfolio comprises investments in SLR (Statutory Liquidity Ratio) and Non-SLR Securities, Publicly Traded Equities, Venture Capital Funds, Private Equity, and Strategic Investments. Additionally, it offers multiple products and services that cater to its customers'

foreign exchange and risk management requirements.

### Interest Rate Movements & SLR and Non-SLR portfolio

Global Markets manages your Bank's domestic Investment Portfolio and maintains regulatory requirements of CRR (Cash Reserve Ratio) and SLR (Statutory Liquidity Ratio). COVID-19 pandemic continued to significantly impact economies and financial markets worldwide, with geopolitical tensions further exacerbating market sentiment.

One of the primary features of FY 2021-22 has been rising global inflation, mainly due to higher commodity prices and supply chain and logistics disruptions. In India, CPI has remained above RBI's target of 4% throughout the year and has continued to rise steadily above 6% in the last few months, mainly due to upward pressure on crude, edible oil prices and other commodity prices.

During FY 2022, RBI continued to take various monetary measures to support economic growth. To facilitate Government's extensive borrowing programme during the first half of the year, RBI introduced G-Sec Acquisition Program (G-SAP). RBI also continued unconventional measures viz., Targeted Long-Term Repo Operations (TLTROs) for Small Finance Banks, Liquidity Facility for All India Financial Institutions (AIFIs), asymmetric Open Market Operations (OMOs), simultaneous Sale and Purchase of securities, etc. With ample liquidity in the banking system, the earlier relaxation in CRR requirements was gradually withdrawn, starting from March 2021. Relaxation to avail funds under Marginal Standing Facility (MSF) by dipping into the Statutory Liquidity Ratio (SLR) up to an additional one per cent of Net Demand and Time Liabilities (NDTL), i.e., cumulatively up to 3 per cent of NDTL, was also made available till 31<sup>st</sup> December 2021. RBI also undertook Variable Rate Reverse Repo operations of different tenors under the Revised Liquidity Management Framework to manage durable and transient liquidity.

The fiscal deficit for FY 2022-23 is estimated at 6.40% of GDP as against 6.90% (revised estimates) in FY 2021-22. The Centre has announced a record gross

borrowing of ₹14.31 lakh crore as against market expectations of about ₹12.50 lakh crore resulting in a sharp rise in bond yields. Following monetary and liquidity tightening by major Central Banks, along with high inflation numbers, the Indian 10-year benchmark bond yield closed at 6.84% on 31<sup>st</sup> March 2022.

Your Bank has prudently managed the excess liquidity position and is well placed to handle the expected moderation in liquidity. Your Bank has invested in a mix of high-quality corporate bonds and Government securities while maintaining low-interest-rate sensitivity in preparation for a rise in yields.

### Equity Markets

Global and domestic Central Bank liquidity and swift economic recovery from the second wave of COVID-19 helped our equity market outperform global indices in the first half of the financial year. However, equities corrected in the second half of the year as market participants weighed inflationary pressures, commodity prices, a slowdown in growth, hawkish FED, and geopolitical tensions. Indian equities posted decent returns in the current financial year, with the Nifty 50 index recording 18.88% year-on-year gains and ending the year with the second-best returns in seven years. The domestic benchmark equity index Nifty 50 traded between a high of 18,604 and a low of 14,151 during the FY2022.

Your Bank actively participated in the rally in equity markets, calibrating the investment book as per market dynamics. The year also saw a flurry of IPOs, including new-age tech companies, with solid listing gains. Your Bank's active participation in the primary market, including InvITs and REITs, has proven fruitful, generating high returns. Your Bank manages the equity portfolio by realigning the book according to market movements while keeping a tab on domestic and global macros towards achieving substantial risk-adjusted returns.

### Private Equity / Venture Capital Fund

Your Bank has been an active participant in the Alternative Investment space during FY 2021-22 and has supported start-ups through direct equity participation.

During the year, your Bank sanctioned investments of more than ₹1,500 crore in Private Equity / Alternative Investment Funds.

### Forex Markets

Global Markets handles the foreign exchange business of your Bank, providing solutions to the customers for managing their currency flows and hedging risks through options, swaps, and forwards and providing liquidity to markets. Your Bank is a leading player in USD-Rupee Spot and USD-Rupee Forward markets and has a high market share in merchant foreign exchange flows. Your Bank is the leader in providing liquidity in the CCIL Fx Clear platform. The volume traded in Currency Futures puts your Bank in the bracket of leading client Banks of exchange houses. Your Bank is actively onboarding customers on the Fx-Retail platform rolled out by CCIL, through which customers will benefit from transparent and competitive pricing. Your Bank has made FX-All and e-Forex trading platforms available to customers looking at their requirements.

Last year, RBI allowed Indian Banks to participate in the offshore USD-Rupee markets, also known as the NDF market or Non-deliverable Derivative Contracts (NDDCs). Accordingly, your Bank has started participating in the offshore USD-Rupee market and is a significant player. India's merchandise trade volumes showed robust growth of 49.80% Year-on-Year during FY 2021-22, which has also improved merchant volumes for your Bank.

### Derivatives

Your Bank currently deals in Over The Counter (OTC) interest rate and currency derivatives, along with exchange-traded currency derivatives and Interest Rate Futures. The interest rate derivatives traded by your Bank are Rupee Interest Rate Swaps (OIS), Rupee Interest Rate Futures (IRF), Foreign Currency Interest Rate Swaps (IRS), Foreign Currency to Rupee Interest Rate Swaps (MIFOR), Forward Rate Agreements (FRA), Caps, Floors and Collars. Currency derivatives dealt by your Bank are Cross Currency Swaps (CCS), USD / INR options and Cross Currency Options. These

products and their customised versions are offered to your Bank's customers to hedge their interest rate and foreign exchange exposures. Your Bank also uses derivatives for trading and balance sheet hedging purposes.

Your Bank has smoothly completed the transition from LIBOR to Alternative Reference Rates (ARRs) for all LIBOR settings, phased out from 31<sup>st</sup> December 2021. For the last few months, your Bank has been actively spreading awareness amongst customers about the transition. The Bank has started ARR-based products like FCNR(B) loans, PCFC / EBR loans from 1<sup>st</sup> January 2022.

Derivative transactions carry market risk: the probable loss your Bank may incur due to adverse interest and exchange rate movements. It also carries credit risk, the probable loss that your Bank may incur if the counterparties fail to meet their obligations. Your Bank's "Policy for Derivatives" approved by the Board prescribes market risk parameters (Greek limits, Loss limits, cut-loss triggers, open position limits, Duration, Modified Duration, PV01, amongst others) as well as customer eligibility criteria (Credit Rating, sanctioned limits, and CAS rating as per Customer Appropriateness and Suitability policy) for entering into derivatives transactions. Risk on interbank counterparties is monitored through limits

set for the purpose. These counterparties have also executed ISDA with your Bank.

Your Bank has various committees and departments to monitor multiple types of risks. The Asset Liability Management Committee (ALCO) oversees the efficient management of liquidity risks. Market Risk Management Department (MRMD) identifies, measures, and monitors market risks associated with derivative transactions. MRMD also assists ALCO in controlling and managing these risks and reports compliance with policy prescriptions to the Risk Management Committee of the Board (RMCB) at regular intervals.

The accounting policy for derivatives has been drawn up in accordance with RBI guidelines.

### C. International Operations

In its endeavour to become a truly International Bank, the focus of your Bank has been realigned to enhance its penetration in overseas local markets along with India based business to support Indian Diaspora and global Indian Corporates spread across various geographies. A separate Business Unit manages the Overseas operations of your Bank – International Banking Group (IBG), headed by the Deputy Managing Director (IBG) and overseen by the MD (IB, T&S).

Overseas Subsidiaries/ Joint Ventures	Share Holding (%)
<b>Subsidiaries</b>	
State Bank of India (California)	100.00
SBI Canada Bank	100.00
State Bank of India (UK) Limited	100.00
Commercial Indo Bank LLC	60.00
SBI (Mauritius) Limited	96.60
Bank SBI Indonesia	99.34
Nepal SBI Bank Limited	55.00
<b>Foreign Non-Banking Subsidiary</b>	
SBI Servicos Limitada, Brazil	99.99
<b>Joint Associate</b>	
Bank of Bhutan Limited	20.00





**Global Presence:** The Bank's first global footprint was with the branch of Bank of Madras in Colombo, Sri Lanka, in July 1864 (First amongst Indian Banks). With

a presence across all time zones through its 227 locations in 30 countries, the State Bank of India has gradually spread its wings across the globe. It has become a

pioneer of International Banking among the Indian PSBs. IBG is managing the overseas offices of SBI.

During FY2022, your Bank continued consolidating its overseas network by rationalising operations with sub-optimal performance and improving cost efficiencies. Your Bank has closed an overseas Subsidiary-Bank SBI Botswana Ltd, and the Ilford branch of its subsidiary-SBI UK Ltd., has been merged with the East Ham branch. During this period, your Bank has not opened new branches/offices because of its focus on consolidation and the prevailing global scenario due to the Covid 19 Pandemic. Overall IBG had 227 offices at the end of FY 2022 with 55 branches/ offices, 8 subsidiaries with 161 branches/ offices, along with 6 representative offices & 5 managed exchange JV/ Associates.

**Resilience by your Bank during a pandemic:** Your Bank continues to exhibit its stability in overseas geographies by building upon its business volumes despite heterogeneous challenges encountered in new variants of the Covid pandemic.

IBG adapted well to optimize its cost of resources given the liquidity flush in the market by substituting its high-cost resources with various low-cost alternatives by diversifying its liability base. It has also leveraged its digital offerings, such as SBI YONO, by launching in new geographies to improve penetration through contactless offerings to raise retail deposits.

Despite various pandemic related challenges, IBG has maintained its focus on business by registering a good growth in its overseas credit portfolio (over 15%) during the year while maintaining asset quality. Besides meticulous credit monitoring, IBG has been agile in managing assets showing signs of stress to minimize the possibility of losses on account of further deterioration in asset quality. Further, it has maintained its connection with the clientele through various outreach initiatives with exporters, and banks, among others, to reinforce the existing relationships and forge new ones.

IBG has maintained profitability during the year despite the shrinking of spreads and challenges in credit growth. It has exhibited marked improvement in vital

parameters such as Net Interest Income, Non-Interest Income, and Operating Profit, among others, on a YoY basis. It is continuing to leverage new income streams such as Merchant Banking and Receivables Financing, among others, to supplement its profitability.

The specialized departments of IBG have played a vital role in sustaining the momentum by contributing on various fronts:

**Credit Contribution & Business Driver:**

While your Bank is an active partner of Indian corporates in their global growth strategy, by arranging debt in Foreign Currency by way of ECBs through syndicated deals in conjunction with other Indian and Foreign Banks and bilateral arrangements, it has been increasing its presence in Local Credits by partnering with Local/ Global Banks. Your Bank sanctioned Foreign Currency loans to the tune of USD 7.69 billion to Indian related corporates and USD 16.72 billion to overseas entities by 31.03.2022.

**Sustainability:** Foreign offices have participated in the credit facilities having sustainability linked pricing to the extent of USD 1 billion.

**Trade Finance:** Your Bank offers a bouquet of Trade Finance products and services to exporters and importers through an extensive, well equipped branch network that operates in all the time zones in India and abroad. The objective of the Global Trade Department (GTD) of IBG is to support Foreign Offices (FOs) for orderly growth of the Trade Finance portfolio, formulate policies and innovate new products for FOs as per the market demands and changing regulatory norms. GTD facilitates Trade Credits to Indian Corporates for their imports by centralized handling of the Quote process and plays an essential role in synergizing business flows between Domestic and Foreign offices to maximize returns. It also organizes trade-related workshops/ Conferences, by partnering with Trade bodies viz., BAFT (Bankers Association for Finance and Trade), GTR (Global Trade Review). Workshops are also organized by partnering with ICC, FIEO among others, to provide a platform for networking with

Exporters/ Regulators,/ Industry majors. The trade finance business portfolio constitutes ~ 31% of the IBG advances portfolio. SBI has been awarded "The Best Trade Finance Provider (India)-2022" for the tenth consecutive year by Global Finance Magazine.

**Overseas Treasury Management:**

Treasury Management Group (TMG) at International Banking Group undertakes the following functions for Foreign Offices:

- Liquidity Management
- Dealing Room Operations
- Investments

TMG-IBG manages the overall liquidity portfolio of IBG and also monitors ALM ratios. TMG is the nodal department for raising Long and Medium-Term Funds through Bond Issuance (MTN/ Standalone 144A) and Syndicated Loans. In addition to this, TMG also utilizes various means of borrowings to keep the cost of resources in check. To optimize the cost of resources during FY2022, the TMG has prepaid some of the high-cost borrowings and replaced them with lower-cost funds. TMG is actively engaged with Multilateral / Supranational entities in arranging foreign currency finance/refinance at competitive pricing.

During the FY2022, Bank has issued Formosa bonds to the tune of USD 300 Mio in January 2022 at the tightest pricing ever for a 5-year bond issued by any Indian Bank. This was also the first Formosa issuance by any commercial bank in India.

TMG also manages the Investment Book of your Bank's foreign operations, which currently stands at ~USD 7.06 Bn. These investments provide stable interest income for IBG and also help in the maintenance of liquidity ratios. The department also monitors and provides guidance to dealing rooms at important centres and facilitates Money Market, Forex and Derivative functions at FOs.

Currently, there are five main dealing rooms in London, New York, Hong Kong, Bahrain and IFSC Gift City that work on a hub and spoke model to help smaller Foreign Offices in their operations. Your Bank is also working to develop IBU Gift City as

another fund-raising centre. In FY2022, your Bank has expanded the business of trading in Rupee Non-Deliverable Forwards (NDF) through Hong Kong, Singapore and IFSC BU (Gandhinagar), Your Bank is looking forward to expanding this activity to other centres as well.

TMG has coordinated the LIBOR transition activities at your Bank. Your Bank has successfully met the transition timeline of 31<sup>st</sup> Dec 2021 for transition to ARR's other than USD LIBOR. All the branches' domestic and foreign offices are ready to offer products linked with ARR and have started offering ARR related products from 1<sup>st</sup> Jan 2022.

**Global Payments and Services:** Global Payments & Services (GP&S), a unit under International Banking Group (IBG), comprises three branches/offices viz., Global-Link Services (GLS), International Services Branch Mumbai (ISBM), and International Services Branch Ernakulam (ISBE). It facilitates online inward remittances from overseas locations to India, Foreign Currency Cheque collection, Opening & Maintenance of Vostro Accounts, Asian Clearing Union (ACU) transactions etc. The highlights of the year are:

- Tie-up with 45 Exchange Companies and five Banks for channelising inward Rupee remittances from overseas to India.
- During FY22, GP&S handled 55,467 Export bills (in USD and Euro) on behalf of domestic branches and 16,500 Foreign Currency Cheque collections aggregating to USD 14.98 billion.
- During the same period, GP&S handled 9.666 million online inward remittance transactions amounting to USD 6.693 billion, received from various global centres.
- 164 Vostro Accounts for different Correspondent Banks/ Exchange Companies/ SBI Foreign Offices are maintained.
- Pan India Nodal Office for handling ACU transactions for SBI.

**Retail Strategy:** Your Bank has been a "window to India" for NRIs residing in different parts of the world through

its specialized retail and remittances products. The notable achievements for the year are:

YONO SBI, one of the most ambitious and secure digital offerings of the Bank, has now been extended to customers at our overseas offices. It has been successfully launched in the UK, Canada, Mauritius, Nepal, Maldives, Bangladesh, South Africa, Sri Lanka, and Bahrain with non-face to face account opening facility operational in UK and Canada. We are planning to launch SBI YONO in Singapore and USA during FY23. More than 83,000 overseas customers have been onboarded through YONO.

"Namaste UK" product of YONO SBI UK has been launched, enabling prospective Indian Expats to open an Account with SBI UK, even before landing in the UK from India itself. A similar product has also been launched in Canada for Student GIC accounts for Indian students enrolled in Canadian universities. We plan to launch a similar product in Singapore in the coming months.

"One View" feature of YONO Global allows Foreign Offices customers to view their Domestic SBI Accounts through YONO Global App, practically merging all enquiry features of Domestic YONO SBI with Global version. More than 3900 SBI Foreign Office customers are already using this feature.

**Financial Institutions Group (FIG) – Correspondent Relations:** The Group facilitates linkages of your Bank with international stakeholders viz. Financial Institutions (FIs), Foreign Govt. Agencies and Developmental Financial Institutions (DFIs), among others, facilitate synergy between IBG and other business Verticals such as Corporate Accounts Group, Commercial Clients Group, Retail Banking Group, and Global Markets.

FIG functions as a pivot in maintaining and reviewing Correspondent Banking relationships with a network of 224 banks in 56 countries. It also supports RMAs (Relationship Management Application) established by domestic and foreign offices, and your Bank has 4,255 RMA's with 845 Banks in 116 countries as of

now. FIG adopts a data-driven approach through its FI CRM (Financial Institutions – Customer Relationship Management) application, which provides a 360-degree view of engagements with partner banks.

FIG strives to make SBI the preferred global Banker for all Indian Public sector and private sector banks by utilizing the SBI network's wide presence and product capabilities in 30 countries. FIG leverages on the relationships with domestic and foreign Financial Institutions for business development in areas of Cross border Trade finance, Syndicated Loans, Treasury and forex solutions and other transaction banking activities.

The relationship value is factored in the Bank's decision-making process, including raising resources, opening new Nostro/Vostro accounts, and strategic tie-up arrangements with banks.

**IB-DOMESTIC:** Your Bank is well equipped to provide a wide range of products and services to exporters and importers through an extensive branch network that operates domestically and internationally. International Banking-Domestic (IBD) serves as a single point of contact between the Domestic Offices and Foreign Offices in areas related to Trade Finance and International Banking. IBD aims to improve synergies and trade flow between Domestic Offices and Foreign Offices/ Correspondent Banks and the trading community by forming a strong link between them.

IBD facilitates the growth of Export Credit by actively involving branches, trade bodies & other stakeholders. As a result, your Bank's Export Credit portfolio (outstanding credit) witnessed an increase of 32.98% as of 31<sup>st</sup> March 2022 (YoY basis).

To facilitate the Trade community, Forex Service charges are being rationalized and aligned with the market every year by IBD. IBD also enables system-related enhancements and updates in Exim Enterprise/SWIFT.

Centralized Co-ordination Cell Foreign Bank Guarantee (CCC-FBG) for processing Inward and Outward Foreign Bank Guarantee has been exclusively set up



under the aegis of IB-Domestic to provide a one-stop solution to Correspondent Banks/ Foreign Offices/ Domestic Banks/ Domestic Offices seeking Domestic/ Foreign Bank Guarantees based on their counter guarantees.

IBD is instrumental in improving FEMA compliance across your Bank. The department ensures timely submission of RBI/FEMA related returns and issuing instructions concerning revisions in FEMA/ RBI guidelines.

**Technology Initiatives at Overseas Offices:**

Your Bank continues to leverage technology solutions to automate processes, enhance customer experience and manage risk. Your Bank has been consistently leveraging digital channels to provide an omnichannel experience to Bank's customers across all geographies. YONO Global App has emerged as the prime fulcrum for providing banking services to retail customers. With almost 50% of the customer base using the app to access banking services, the platform has evolved with enhanced features such as online account opening and real-time payments enabled via QR Codes, bill payments, among others

Your Bank has also embarked upon a complete revamp of its e-Banking web platform following the latest functionalities and industry standards. This has been completed across six geographies during the year. Aiming to achieve dual objectives of cost-saving and increased efficiency, consolidation of back-office processes has gained momentum with the migration of jobs from 2 more geographies, i.e., Canada and Singapore (in addition to the UK and Bahrain). Your Bank has ensured that all the compliance aspects – including data privacy and proper governance for these services are provided by entering into internal service level agreements as per industry standards.

With Compliance remaining the principal focus, your Bank has ensured the roll-out of regulatory prescribed IT developments as per defined time frames across all geographies. These include card tokenization and online refund functionality in Bahrain. Other developments include online customer consent registration for



Chairman Shri Dinesh Kumar Khara's visit to UAE during Dubai EXPO 2020



Shri Ashwini Kumar Tewari (MD – IB, T&S) and Shri Sanjay D Naik (DMD, IBG) during their branch visit to Colombo, the oldest overseas operations of SBI.



LSE Market opening by Mr Dinesh Kumar Khara, Chairman with Shri Ashwini Kumar Tewari (MD – IB, T&S) and Shri Sanjay D Naik (DMD, IBG) and dignitaries Alderman Vincent Keaveny, Lord Mayor of the City of London 2021-22 and Julia Hoggett, CEO, London Stock Exchange plc on the eve of centenary celebrations of SBI London.



data sharing and Go-AML reporting for AML-CFT controls.

Your Bank has embarked upon automation of Regulatory reporting through a state-of-the-art centrally provisioned reporting system at its foreign offices/subsidiaries during the year. It plans to complete the roll-out by FY2023. Your Bank has completed online integration with Singapore's real-time immediate payment system, namely G3-FAST. It will enable payment processing on a real-time basis (24x7x365), maximizing the ability to deliver innovative and commercially attractive products while minimizing settlement risk.

## 7. Commercial Clients Group (CCG)

### Commercial Clients

The CCG vertical handles the credit needs of medium & large corporate clients, with funding requirements of above ₹50 cr. CCG has 51 branches spread across the country, including 3 direct branches headed by GMs. The vertical also includes specialised branches catering to specific industries like Diamond, Ceramics and Capital market. The mandate of the vertical is to cater to the complete needs of this segment of corporate clients, manage the associated risks and sustain growth.

The vertical is headed by the Deputy Managing Director and overseen by the MD (CB & GM), and 5 CGMS manage

the portfolio, (including 1 CGM for Project Finance) and 1 CGM overseeing Operations. CGMs in the CCG are assigned as the group relationship owners to improve the quality of coverage and enable an integrated view of exposure and earnings amongst others across the entire group. The business model of the CCG is also based on the Relationship Management concept with each Relationship team headed by a Relationship Manager & supported by skilled credit analysts and operating functionaries. The Relationship team is hence equipped to handle the entire customer requirement and draws upon the skill sets available in various SBUs where required to fully meet customer requirements. CCG has also formed the Centralised Resolutions Team handling the specialised requirements of customers requiring resolution due to the pandemic as well under the June 7 2019 RBI guidelines and for the monitoring of the approved resolution plan for customers with exposure more than ₹200 crores. Timely and comprehensive intervention is the most important aspect for resolution.

Some key initiatives to promote Export Credit Growth were taken during the year. These include:

**Extension of T-Bill Rates to Rupee Export Credit:** External Benchmark (T-Bill Rate) linked interest rates are extended to WCL and LC Bill Discounting facilities to encourage top-rated borrowers to increase utilisation of limits. Considering the present competitive market, the T-Bill rate linked to

interest rates has also been extended to rupee export packing credit facilities.

**Exporters' Meet:** Various exporters' meets were conducted across India to increase exporters' awareness of the banking facilities offered by SBI.

**TRRACS Software:** Your Bank has introduced Trade Regulatory Reporting and Compliance Solution (TRRACS) Software, which has led to a reduction in pending EDPMS/IRMs/Export advances entries over a period of time, and we could succeed in the removal of these entries substantially, enhancing customer satisfaction.

Apart from these initiatives, a Digital Interface on Pricing and Knowledge (DIPAK), a pricing tool, has been made available to operating functionaries and sanctioning committees to enable data-driven pricing of corporate loans. This has been actively used in all the branches of CCG and has helped the vertical in better pricing of products.

### Project Finance and Structuring SBU

Your Bank's Special Business Unit, known as Project Finance and Structuring Strategic Business Unit (PF&S SBU), deals with the appraisal and arrangement of funds for large projects in infrastructure and other sectors such as Power, Roads, Ports, Railways, Airports, and Refinery amongst others. It also covers other non-infrastructure projects in industries such as Metals, Fertilisers, Cement, Oil and Gas, and Glass, amongst others, with a certain

threshold on minimum project cost. The PF&S SBU also supports other verticals for vetting their significant ticket term loan proposals. To strengthen the policy and regulatory framework for financing infrastructure, it provides advice to various Ministries of Government of India and the RBI with respect to lenders' views on new policies, Model Concession Agreements and broader issues being faced in infrastructure finance.

There has been a step up in investment in the infrastructure sector by the government along with various initiatives, sectoral reforms and incentives, such as the National Infrastructure Pipeline (NIP), National Monetization Plan (NMP), Performance Linked Schemes (PLI), Disinvestment of Public Entities, Sustainable Lending, Gati Shakti, and National Single Window Systems (NSWS). This has resulted in an inflow of new projects, particularly in sectors such as City Gas Distribution, Road, Power Renewables, Metro Rail, Green Hydrogen, and Warehousing, among others.

Based on sustained liaising with Government Ministries, Authorities, and specialised Marketing endeavours, your Bank is well poised to garner more business opportunities and maintain a leadership position in the infrastructure lending space. Your Bank is closely monitoring all the projects under implementation and expects to tide over the impact of the COVID-19 pandemic through the short to medium term.

Your Bank has also set up an experienced team of 'Structuring Specialists' to support deal structuring for significant proposals across lending, bonds, International Banking, and Structured/Mezzanine Finance.

## 8. Stressed Assets Management

Today, SARG stands as one of the most important verticals of your Bank, and the GNPA of your Bank is on a course of a downward journey. Resolution of stressed assets by SARG presents the following latent income generating avenues for your Bank:

- Cash recovery in NPAs and AUCA
- Reduction in loan loss provisions
- Contribute to your Bank's bottom line.
- Unlocking the capital for credit extension.



Triumph Offshore Private Limited



Toll Operate Transfer



Ramagundam Fertilizer and Chemical Limited



Hindustan Urvarak and Rasayan Limited



Nayara Energy Pvt Ltd

## The movement of NPAs in the Bank and recovery in written-off accounts during the last five financial years:

(₹ in crore)

Particulars	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Gross NPA	2,23,427	1,72,750	1,49,092	1,26,389	1,12,023
Gross NPA	10.91%	7.53%	6.15%	4.98%	3.97%
Net NPA	5.73%	3.01%	2.23%	1.50%	1.02%
Fresh Slippages + Increase in O/s	1,00,287	39,740	54,510	29,332	26,776
Cash Recoveries / Up- gradations	14,530	31,512	25,781	17,632	21,437
Write-Offs	40,196	58,905	52,387	34,403	19,705
Recoveries in AUCA	5,333	8,345	9,250	10,297	7,782
PCR (Incl. AUCA)	66.17%	78.73%	83.62%	87.75%	90.20%
PCR (Excl. AUCA)	50.38%	61.86%	65.21%	70.88%	75.04%

Coming out of challenges posed by pandemic aftermath, your Bank is taking all pre-emptive measures by extending assistance to its borrowers to face the new challenges & continue as performing assets. However, the current level of NPA has significantly come down over the years due to consistent recovery efforts including:

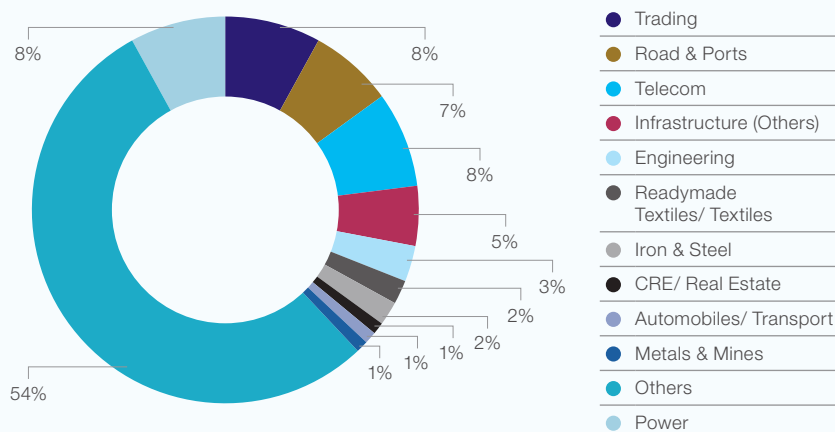
- Insolvency and Bankruptcy Code (IBC) 2016 for resolution of stressed assets has provided Bank with a time-bound, transparent, and effective mechanism to tackle stressed assets. Resolutions have been achieved in some of the high-value NPA accounts referred to the NCLT under the code. The cases referred to NCLT for resolution are monitored at a specialised NCLT cell at SARG. A total of 994 cases (whole Bank) were referred to the NCLT on 31<sup>st</sup> March, 2022, out of which 773 cases have been admitted. Furthermore, 152 cases have been resolved, including some high-value accounts from RBI's 1<sup>st</sup> & 2<sup>nd</sup> reference lists.
- The OTS/Compromise route is also explored to recover sticky loans from eligible cases. Bank's Board approved OTS scheme for various products, non-discretionary and non-discriminatory, is also offered to all qualified borrowers for maximising resolutions.
- RBI's 7<sup>th</sup> June, 2019 circular on a prudential framework for resolution of high-value distressed assets has provided a new avenue for time-bound resolution of these accounts. Your Bank is actively exploring resolution under this model.

- In non-NCLT cases, recovery is explored through action under the SARFAESI Act and suit filing in DRTs and courts. The sale of mortgaged properties is explored through the common e-Auction platform <https://ibapi.in> ('eBKray – Indian Banks Auctions Mortgaged Properties Information) under the aegis of IBA.

**Sector Specific Targeted Approach:**

The Stressed Assets Resolution Group (SARG) focussed on prioritising the resolution of NPAs through a sector-specific approach. Currently, the vertical is headed by the Deputy Managing

Director and overseen by the Managing Director (R, C & SARG) and two Chief General Managers overseeing the sector-wise portfolio and a CGM (Operations) monitoring the credit portfolio of accounts with an outstanding up to ₹50 crore and accounts under liquidation. The Account Management Teams function under the guidance of six General Managers. As of March, 2022, SARG has 17 Stressed Assets Management Branches (SAMBs) and 47 Stressed Assets Recovery Branches (SARBs) across the country, covering 56% and 88% of your Bank's NPAs and AUCA, respectively.

**Industry-wise percentage distribution of the NPA portfolio (as of 31<sup>st</sup> March 2022)**



**Compromises and NCLT:** Apart from normal recovery, a significant portion of the recovery at SARG comes from compromises and NCLT. The vertical also introduces special OTS schemes (non-

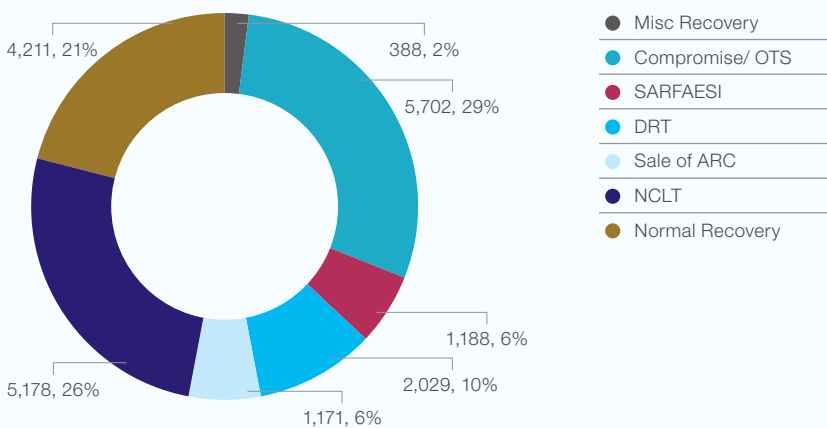
discretionary and non-discriminatory) from time to time. A team has been set up to look after the sale of assets to Asset Reconstruction Companies (ARCs) on a Cash or Security Receipts (SR) basis.

period of the Covid Pandemic. The human capital of your Bank has demonstrated high motivation and spirit to face the new age challenge on the front of technology.

The Human Resources (HR) policies focus on making your Bank an employee-oriented, profitable and growing business organisation over a more extended period of time.

The summarised HR Profile of the Bank as of 31<sup>st</sup> March 2022 is as under:

**Recovery (₹ In Crore) Made Through Various Modes & Percentage Share In Total Recovery (31.03.2022)**



Category	FY2021	FY2022
Officers	1,08,772	1,11,549
Associates	1,00,796	99,259
Subordinate staff & Others	36,084	33,442
<b>Total</b>	<b>2,45,652</b>	<b>2,44,250</b>

**Innovation in the Resolution of Stressed Assets:** SARG introduced specific innovative methods and gave first-mover advantage to your Bank in areas such as arranging mega e-Auction of a large number of properties on a Pan-India basis. For this purpose, the Bank is also making extensive use of a common landing platform for PSBs (<https://ibapi.in> in 'eBKray' - Indian Banks Auctions Mortgaged Properties Information).

Resolution under IBC is a market-oriented mechanism where a higher number of bidders for a particular stressed corporate debtor result in better valuation and maximisation of recovery for lenders. Hence, a marketing team has been set up at SARG to reach out to a broader investor base and showcase our stressed asset undergoing resolution under/ outside IBC.

The transfer of eligible assets to NARCL is also being monitored at SARG with requisite enablers already implemented to ensure the smooth migration of

identified assets. Around 22 accounts with aggregate exposure of approximately ₹17,000 crore are proposed to be transferred to NARCL in phases.

Various new IT initiatives have been rolled out, including LITMAS (Litigation Management System), to better monitor legal recourses undertaken in the stressed accounts for expediting recovery. It will further strengthen the transparency and efficiency of the process.

## IV. Support and Control Operations

### 1. Human Resources and Training

#### A. Human Resources

Your Bank believes in and acknowledges the critical role of its employees in achieving its present and future organisational goals. SBI recognises the employees' focussed efforts to steer the Bank's performance to greater heights even during the turbulent

### Productivity Enhancement Initiatives

Your Bank adopts a branch-based model for manpower planning to ensure optimal utilisation of Human Resources. The model is based on the productivity parameters at the branches like identified work drivers of operations, transaction load factors, number of advance accounts, feedback from the operating units and organisational structure, among others.

Your Bank has streamlined its promotion and transfer process, and these are now completed in the first quarter of a financial year. This gives the branches and other units the required assurance and stability to actively focus on business activities during the major part of the year. In FY2022, despite the challenges posed by the Covid-19 pandemic, the promotion process was completed within the stipulated time.

Your Bank's Career Development System (CDS) under project "Saksham" ensures a transparent, credible data-backed performance evaluation process for the assessment of employee performance. The system ensures accountability, performance, visibility, and greater alignment between individual and organisational goals.

Specialised skills are critical to success for a bank with a large footprint and diversified