State Bank of India

Balance Sheet as at 31st March, 2022

(000s omitted)

	Schedule No.	As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
CAPITAL AND LIABILITIES			
Capital	1	892,46,12	892,46,12
Reserves & Surplus	2	279195,59,89	252982,72,85
Deposits	3	4051534,12,27	3681277,07,96
Borrowings	4	426043,37,98	417297,69,88
Other Liabilities and Provisions	5	229931,84,28	181979,66,31
TOTAL		**4987597,40,54**	**4534429,63,12**
ASSETS			
Cash and Balances with Reserve Bank of India	6	257859,20,71	213201,53,63
Balances with Banks and money at call and short notice	7	136693,11,40	129837,17,31
Investments	8	1481445,46,98	1351705,20,51
Advances	9	2733966,59,29	2449497,79,11
Fixed Assets	10	37708,15,83	38419,24,19
Other Assets	11	339924,86,33	351768,68,37
TOTAL		**4987597,40,54**	**4534429,63,12**
Contingent Liabilities	12	2007083,44,06	1706949,91,17
Bills for Collection	-	77730,12,34	56516,11,88
Significant Accounting Policies	17		
Notes to Accounts	18		

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

Shri Ashwini Kumar Tewari
Managing Director
(International Banking, Technology & Subsidiaries)

Shri Swaminathan J.
Managing Director
(Risk, Compliance and SARG)

Shri Ashwani Bhatia
Managing Director
(Corporate Banking & Global Markets)

Shri Challa Sreenivasulu Setty
Managing Director
(Retail & Digital Banking)

Directors:

Shri B. Venugopal
Dr Ganesh Natarajan
Shri Mrugank M Paranjape
Shri Ketan S. Vikamsey
Shri Sanjeev Maheshwari
Shri Prafulla P. Chhajed

Shri Dinesh Kumar Khara
Chairman

Place: Mumbai
Date : 13th May, 2022

In terms of our report of even date

For Khandelwal Jain & Co.
Chartered Accountants

Shailesh Shah
Partner: M. No. 033632
Firm Regn. No. 105049W

For Shah Gupta & Co.
Chartered Accountants

Heneel K Patel
Partner: M. No. 114103
Firm Regn. No. 109574W

For Umamaheswara Rao & Co.
Chartered Accountants

L Shyama Prasad
Partner: M. No. 028224
Firm Regn. No. 004453S

For SCV & Co. LLP
Chartered Accountants

Anuj Dhingra
Partner: M. No.512535
Firm Reg.No.000235N/N500089

For ASA & Associates LLP
Chartered Accountants

Parveen Kumar
Partner: M. No. 088810
Firm Regn. No. 009571N/N500006

For Prem Gupta & Co.
Chartered Accountants

Prem Behari Gupta
Partner: M. No. 080245
Firm Regn. No. 000425N

For Guha Nandi & Co.
Chartered Accountants

Dr. B. S. Kundu
Partner: M. No. 051221
Firm Regn. No. 302039E

For M C Bhandari & Co.
Chartered Accountants

M R Jain
Partner: M. No. 050919
Firm Regn. No. 303002E

For K C Mehta & Co.
Chartered Accountants

Chirag Bakshi
Partner: M. No. 047164
Firm Regn. No. 106237W

For V Singhi & Associates
Chartered Accountants

Aniruddha Sengupta
Partner: M. No. 051371
Firm Regn. No. 311017E

For Suri & Co.
Chartered Accountants

V Natarajan
Partner: M. No. 223118
Firm Regn. No. 004283S

For Talati & Talati LLP
Chartered Accountants

Anand Sharma
Partner: M. No.129033
Firm Regn. No. 110758W/W100377

Place – Mumbai
Date – May 13, 2022

SCHEDULES

SCHEDULE 1 - CAPITAL

(000s omitted)

	As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
Authorised Capital :		
5000,00,00,000 shares of ₹ 1 each (Previous Year 5000,00,00,000 shares of ₹ 1 each)	5000,00,00	5000,00,00
Issued Capital :		
892,54,05,164 Equity Shares of ₹ 1 each (Previous Year 892,54,05,164 Equity Shares of ₹ 1 each)	892,54,05	892,54,05
Subscribed and Paid-up Capital :		
892,46,11,534 Equity Shares of ₹ 1 each (Previous Year 892,46,11,534 Equity Shares of ₹ 1 each)	892,46,12	892,46,12
[The above includes 10,36,05,740 Equity Shares of ₹ 1 each (Previous Year 10,97,28,170 Equity Shares of ₹ 1 each) represented by 10,36,05,74 (Previous Year 10,97,28,17) Global Depository Receipts]		
TOTAL	**892,46,12**	**892,46,12**

SCHEDULE 2 - RESERVES & SURPLUS

(000s omitted)

		As at 31.03.2022 (Current Year) ₹		As at 31.03.2021 (Previous Year) ₹	
I.	**Statutory Reserves**				
	Opening Balance	76065,22,66		69942,08,58	
	Additions during the year	9502,79,42		6123,14,08	
	Deductions during the year	-		-	
			85568,02,08		**76065,22,66**
II.	**Capital Reserves**				
	Opening Balance	15221,82,99		13756,70,57	
	Additions during the year	538,15,24		1465,12,42	
	Deductions during the year	-		-	
			15759,98,23		**15221,82,99**
III.	**Share Premium**				
	Opening Balance	79115,47,05		79115,47,05	
	Additions during the year	-		-	
	Deductions during the year	-		-	
			79115,47,05		**79115,47,05**

(000s omitted)

		As at 31.03.2022 (Current Year) ₹		As at 31.03.2021 (Previous Year) ₹
IV.	**Investment Fluctuation Reserve**			
	Opening Balance	3048,07,72		1119,88,09	
	Additions during the year	4647,87,02		1928,19,63	
	Deductions during the year	-		-	
			7695,94,74		**3048,07,72**
V.	**Foreign Currency Translation Reserve**				
	Opening Balance	9072,39,67		9274,60,44	
	Additions during the year	888,39,11		-	
	Deductions during the year	-		202,20,77	
			9960,78,78		**9072,39,67**
VI.	**Revenue and Other Reserves***				
	Opening Balance	50483,22,45		44641,85,54	
	Additions during the year	1352,89,36		5841,36,91	
	Deductions during the year	-		-	
			51836,11,81		**50483,22,45**
VII.	**Revaluation Reserve**				
	Opening Balance	23577,34,78		23762,66,57	
	Additions during the year	-		-	
	Deductions during the year	199,48,07		185,31,79	
			23377,86,71		**23577,34,78**
VIII.	**Balance of Profit and Loss Account**		**5881,40,49**		**(3600,84,47)**
TOTAL			**279195,59,89**		**252982,72,85**

* Note: Revenue and Other Reserves include

(i) ₹ 5,00,00 thousand (Previous Year ₹ 5,00,00 thousand) of Integration and Development Fund (maintained under Section 36 of the State Bank of India Act, 1955)

(ii) Special Reserve under Section 36(1)(viii) of the Income Tax Act, 1961 ₹ 15696,95,76 thousand (Previous Year ₹ 14528,51,76 thousand)

(iii) Investment Reserves Current Year ₹ Nil (Previous Year ₹ Nil).

SCHEDULE 3 - DEPOSITS

(000s omitted)

				As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
A.	**I.**	**Demand Deposits**			
		(i)	From Banks	6551,52,93	5815,51,86
		(ii)	From Others	270172,30,80	280881,87,39
	II.	**Savings Bank Deposits**		1526856,80,29	1384583,88,91
	III.	**Term Deposits**			
		(i)	From Banks	7909,81,63	5585,34,88
		(ii)	From Others	2240043,66,62	2004410,44,92
TOTAL				**4051534,12,27**	**3681277,07,96**
B.	(i)	Deposits of Branches in India		3920200,81,67	3570164,90,88
	(ii)	Deposits of Branches outside India		131333,30,60	111112,17,08
TOTAL				**4051534,12,27**	**3681277,07,96**

SCHEDULE 4 - BORROWINGS

(000s omitted)

				As at 31.03.2022 (Current Year) ₹		As at 31.03.2021 (Previous Year) ₹	
I.	**Borrowings in India**						
	(i)	Reserve Bank of India			24956,00,00		24956,00,00
	(ii)	Other Banks			-		37,00,00
	(iii)	Other Institutions and Agencies			144073,34,11		154138,69,61
	(iv)	Capital Instruments:					
		a.	Innovative Perpetual Debt Instruments (IPDI)	36709,70,00		29835,70,00	
		b.	Subordinated Debt	35289,90,00		36289,90,00	
					71999,60,00		66125,60,00
TOTAL					**241028,94,11**		**245257,29,61**
II.	**Borrowings outside India**						
	(i)	Borrowings and Refinance outside India			185014,43,87		169847,10,27
	(ii)	Capital Instruments:					
		Innovative Perpetual Debt Instruments (IPDI)			-		2193,30,00
TOTAL					**185014,43,87**		**172040,40,27**
GRAND TOTAL					**426043,37,98**		**417297,69,88**
Secured Borrowings included in I & II above					178690,84,91		183941,81,71

SCHEDULE 5 - OTHER LIABILITIES & PROVISIONS

(000s omitted)

		As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I.	Bills payable	33431,04,90	17685,38,79
II.	Inter-office adjustments (Net)	2344,61,99	-
III.	Interest accrued	17704,33,21	15378,91,12
IV.	Deferred Tax Liabilities (Net)	2,55,53	2,46,48
V.	Others (including provisions)*	176449,28,65	148912,89,92
TOTAL		**229931,84,28**	**181979,66,31**

* Includes prudential provision for Standard Assets ₹ 19972,60,99 thousand (Previous Year ₹ 15293,97,78 thousand)

SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA

(000s omitted)

			As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I.	Cash in hand (including foreign currency notes and gold)		21742,92,83	23403,41,73
II.	Balance with Reserve Bank of India			
	(i)	In Current Account	236116,27,88	189798,11,90
	(ii)	In Other Accounts	-	-
TOTAL			**257859,20,71**	**213201,53,63**

SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL & SHORT NOTICE

(000s omitted)

				As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I.	**In India**				
	(i)	Balances with banks			
		(a)	In Current Account	-	40,80
		(b)	In Other Deposit Accounts	-	-
	(ii)	Money at call and short notice			
		(a)	With banks	60953,22,08	47369,93,31
		(b)	With Other Institutions	-	-
TOTAL				**60953,22,08**	**47370,34,11**
II.	**Outside India**				
	(i)	In Current Account		61541,33,80	63326,17,58
	(ii)	In Other Deposit Accounts		2772,69,44	8311,59,05
	(iii)	Money at call and short notice		11425,86,08	10829,06,57
TOTAL				**75739,89,32**	**82466,83,20**
GRAND TOTAL (I and II)				**136693,11,40**	**129837,17,31**

SCHEDULE 8 - INVESTMENTS

(000s omitted)

	As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I. Investments in India in:		
(i) Government Securities	1162182,63,96	1055288,64,35
(ii) Other Approved Securities	-	-
(iii) Shares	12424,39,66	7981,38,03
(iv) Debentures and Bonds	215804,42,59	208888,60,89
(v) Subsidiaries and/ or Joint Ventures (including Associates)*	14012,38,80	13475,17,45
(vi) Others (Units of Mutual Funds etc.)	23582,24,18	18640,33,06
TOTAL	**1428006,09,19**	**1304274,13,78**
II. Investments outside India in:		
(i) Government Securities (including local authorities)	19728,93,24	17946,34,44
(ii) Subsidiaries and/ or Joint Ventures abroad	5028,44,04	4768,15,85
(iii) Other Investments (Shares, Debentures, etc.)	28682,00,51	24716,56,44
TOTAL	**53439,37,79**	**47431,06,73**
GRAND TOTAL (I and II)	**1481445,46,98**	**1351705,20,51**
III. Investments in India:		
(i) Gross Value of Investments	1439648,85,34	1314424,07,05
(ii) Less: Aggregate of Provisions / Depreciation	11642,76,15	10149,93,27
(iii) Net Investments (vide I above)	1428006,09,19	1304274,13,78
IV. Investments outside India:		
(i) Gross Value of Investments	53537,57,21	47461,40,62
(ii) Less: Aggregate of Provisions / Depreciation	98,19,42	30,33,89
(iii) Net Investments (vide II above)	53439,37,79	47431,06,73
GRAND TOTAL (III and IV)	**1481445,46,98**	**1351705,20,51**

* Including Share application money

SCHEDULE 9 - ADVANCES

(000s omitted)

	As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
A. (i) Bills purchased and discounted	167282,62,94	95035,10,23
(ii) Cash credits, overdrafts and loans repayable on demand	713526,87,72	676439,31,40
(iii) Term Loans	1853157,08,63	1678023,37,48
TOTAL	**2733966,59,29**	**2449497,79,11**

(000s omitted)

			As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
B.	(i)	Secured by tangible assets (includes advances against Book Debts ₹ 130915,53,15 thousand (Previous Year ₹ 134277,32,43 thousand))	1874674,76,97	1760153,24,52
	(ii)	Covered by Bank / Government Guarantees	114697,57,23	96522,71,33
	(iii)	Unsecured	744594,25,09	592821,83,26
TOTAL			**2733966,59,29**	**2449497,79,11**
C.	**(I)**	**Advances in India**		
		(i) Priority Sector	658546,87,83	564570,85,92
		(ii) Public Sector	167189,34,75	257241,31,86
		(iii) Banks	1001,87,68	4618,77,18
		(iv) Others	1496980,59,45	1267713,73,45
TOTAL			**2323718,69,71**	**2094144,68,41**
	(II)	**Advances outside India**		
		(i) Due from banks	119036,89,80	79713,82,13
		(ii) Due from others		
		(a) Bills purchased and discounted	35342,14,75	34993,56,29
		(b) Syndicated loans	182163,55,96	170243,57,62
		(c) Others	73705,29,07	70402,14,66
TOTAL			**410247,89,58**	**355353,10,70**
GRAND TOTAL [C (I) and C (II)]			**2733966,59,29**	**2449497,79,11**

SCHEDULE 10 - FIXED ASSETS

(000s omitted)

		As at 31.03.2022 (Current Year) ₹		As at 31.03.2021 (Previous Year) ₹	
I.	**Premises (including Revalued Premises)**				
	At cost/revalued as at 31st March of the preceding year	30362,68,76		30317,86,54	
	Additions:				
	- during the year	107,12,39		80,86,88	
	- for Revaluation	-		-	
	Deductions:				
	- during the year	1,16,82		25,51,07	
	- for Revaluation	15,50,22		10,53,59	
	Depreciation to date				
	- on cost	1058,70,21		945,18,85	
	- on Revaluation	1028,90,79		850,52,10	
			28365,53,11		**28566,97,81**

(000s omitted)

		As at 31.03.2022 (Current Year) ₹		As at 31.03.2021 (Previous Year) ₹
II.	**Other Fixed Assets (including furniture and fixtures)**			
	At cost / revalued as at 31st March of the preceding year	36131,54,03	33497,62,10	
	Additions during the year	2608,18,79	3359,77,85	
	Deductions during the year	567,89,53	725,85,92	
	Depreciation to date	29069,87,58	26631,11,10	
		9101,95,71		**9500,42,93**
III.	**Assets under Construction (Including Premises)**	**240,67,01**		**351,83,45**
	TOTAL (I, II, and III)	**37708,15,83**		**38419,24,19**

SCHEDULE 11 - OTHER ASSETS

(000s omitted)

		As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I.	Inter-office adjustments (Net)	-	20540,95,39
II.	Interest accrued	33675,81,75	30034,46,90
III.	Tax paid in advance / tax deducted at source	22292,88,93	26023,99,26
IV.	Deferred Tax Assets (Net)	6247,27,92	6559,27,43
V.	Stationery and stamps	18,28,40	80,41,65
VI.	Non-banking assets acquired in satisfaction of claims	56,10	56,10
VII.	Others *	277690,03,23	268529,01,64
TOTAL		**339924,86,33**	**351768,68,37**

*Includes Deposits placed with NABARD/SIDBI/NHB amounting to ₹ 195618,29,52 thousand (Previous Year ₹ 184093,45,48 thousand)

SCHEDULE 12 - CONTINGENT LIABILITIES

(000s omitted)

		As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I.	Claims against the bank not acknowledged as debts	85961,67,98	79083,37,30
II.	Liability for partly paid investments / Venture Funds	1982,56,16	1508,40,25
III.	Liability on account of outstanding forward exchange contracts	1212393,31,12	1027974,90,38
IV.	Guarantees given on behalf of constituents		
	(a) In India	166478,97,17	173090,50,78
	(b) Outside India	95194,96,23	72702,50,07
V.	Acceptances, endorsements and other obligations	178718,66,77	148827,19,35
VI.	Other items for which the bank is contingently liable*	266353,28,63	203763,03,04
TOTAL		**2007083,44,06**	**1706949,91,17**

*Includes Derivatives ₹ 259459,41,01 thousand (Previous Year ₹ 198094,76,48 thousand)

State Bank of India

Profit and Loss Account for the year ended 31st March, 2022

(000s omitted)

	Schedule No.	Year ended 31.03.2022 (Current Year) ₹	Year ended 31.03.2021 (Previous Year) ₹
I. INCOME			
Interest earned	13	275457,29,04	265150,63,38
Other Income	14	40563,91,40	43496,37,47
TOTAL		**316021,20,44**	**308647,00,85**
II. EXPENDITURE			
Interest expended	15	154749,70,43	154440,63,33
Operating expenses	16	93397,51,52	82652,22,35
Provisions and contingencies		36198,00,44	51143,68,23
TOTAL		**284345,22,39**	**288236,53,91**
III. PROFIT			
Net Profit for the year		31675,98,05	20410,46,94
Add: Profit/ (Loss) brought forward		(3600,84,46)	(10498,30,21)
TOTAL		**28075,13,59**	**9912,16,73**
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		9502,79,42	6123,14,08
Transfer to Capital Reserve		538,15,24	1465,12,42
Transfer to Investment Fluctuation Reserve		4647,87,02	1928,19,63
Transfer to Revenue and other Reserves		1168,44,00	426,70,60
Dividend for the current year		6336,47,42	3569,84,46
Balance carried over to Balance Sheet		5881,40,49	(3600,84,46)
TOTAL		**28075,13,59**	**9912,16,73**
V. EARNINGS PER EQUITY SHARE (Face value ₹ 1 per share)			
Basic (in ₹)		35.49	22.87
Diluted (in ₹)		35.49	22.87
Significant Accounting Policies	17		
Notes to Accounts	18		

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

Shri Ashwini Kumar Tewari
Managing Director
(International Banking, Technology & Subsidiaries)

Shri Swaminathan J.
Managing Director
(Risk, Compliance and SARG)

Shri Ashwani Bhatia
Managing Director
(Corporate Banking & Global Markets)

Shri Challa Sreenivasulu Setty
Managing Director
(Retail & Digital Banking)

Directors:

Shri B. Venugopal
Dr Ganesh Natarajan
Shri Mrugank M Paranjape
Shri Ketan S. Vikamsey
Shri Sanjeev Maheshwari
Shri Prafulla P. Chhajed

Shri Dinesh Kumar Khara
Chairman

Place: Mumbai
Date : 13th May, 2022

In terms of our report of even date

For Khandelwal Jain & Co.
Chartered Accountants

Shailesh Shah
Partner: M. No. 033632
Firm Regn. No. 105049W

For Shah Gupta & Co.
Chartered Accountants

Heneel K Patel
Partner: M. No. 114103
Firm Regn. No. 109574W

For Umamaheswara Rao & Co.
Chartered Accountants

L Shyama Prasad
Partner: M. No. 028224
Firm Regn. No. 004453S

For SCV & Co. LLP
Chartered Accountants

Anuj Dhingra
Partner: M. No.512535
Firm Reg.No.000235N/N500089

For ASA & Associates LLP
Chartered Accountants

Parveen Kumar
Partner: M. No. 088810
Firm Regn. No. 009571N/N500006

For Prem Gupta & Co.
Chartered Accountants

Prem Behari Gupta
Partner: M. No. 080245
Firm Regn. No. 000425N

For Guha Nandi & Co.
Chartered Accountants

Dr. B. S. Kundu
Partner: M. No. 051221
Firm Regn. No. 302039E

For M C Bhandari & Co.
Chartered Accountants

M R Jain
Partner: M. No. 050919
Firm Regn. No. 303002E

For K C Mehta & Co.
Chartered Accountants

Chirag Bakshi
Partner: M. No. 047164
Firm Regn. No. 106237W

For V Singhi & Associates
Chartered Accountants

Aniruddha Sengupta
Partner: M. No. 051371
Firm Regn. No. 311017E

For Suri & Co.
Chartered Accountants

V Natarajan
Partner: M. No. 223118
Firm Regn. No. 004283S

For Talati & Talati LLP
Chartered Accountants

Anand Sharma
Partner: M. No.129033
Firm Regn. No. 110758W/W100377

Place – Mumbai
Date – May 13, 2022

Schedules forming part of the Profit and Loss Account For the year ended 31st March, 2022

SCHEDULE 13 - INTEREST EARNED

(000s omitted)

		Year ended 31.03.2022 (Current Year) ₹	Year ended 31.03.2021 (Previous Year) ₹
I.	Interest / discount on advances/ bills	171823,73,09	171429,13,89
II.	Income on Investments	84877,20,42	79808,09,01
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	4377,91,06	4317,53,07
IV.	Others	14378,44,47	9595,87,41
TOTAL		**275457,29,04**	**265150,63,38**

SCHEDULE 14 - OTHER INCOME

(000s omitted)

		Year ended 31.03.2022 (Current Year) ₹	Year ended 31.03.2021 (Previous Year) ₹
I.	Commission, exchange and brokerage	24565,21,06	23517,51,44
II.	Profit/ (Loss) on sale of investments (Net) [1]	3485,08,43	6030,93,10
III.	Profit/ (Loss) on revaluation of investments (Net)	(263,27,88)	-
IV.	Profit/ (Loss) on sale of land, buildings and other assets (Net)	(16,86,60)	(28,58,17)
V.	Profit/ (Loss) on exchange transactions (Net)	3479,04,06	2409,63,79
VI.	Income earned by way of dividends etc., from subsidiaries/ companies and/ or joint ventures abroad/ in India	718,37,49	642,86,22
VII.	Miscellaneous Income [2]	8596,34,84	10924,01,09
TOTAL		**40563,91,40**	**43496,37,47**

[1] Profit/ (Loss) on sale of investments (Net) includes exceptional item of Nil (Previous year ₹ 1539,73,30 thousand).

[2] Miscellaneous Income includes Recoveries made in write-off accounts ₹ 7781,69,59 thousand (Previous year ₹ 10297,21,29 thousand).

SCHEDULE 15 - INTEREST EXPENDED

(000s omitted)

		Year ended 31.03.2022 (Current Year) ₹	Year ended 31.03.2021 (Previous Year) ₹
I.	Interest on Deposits	141247,47,11	142435,24,72
II.	Interest on Reserve Bank of India/ Inter-bank borrowings	7779,35,70	6130,13,01
III.	Others	5722,87,62	5875,25,60
TOTAL		**154749,70,43**	**154440,63,33**

SCHEDULE 16 - OPERATING EXPENSES

(000s omitted)

		Year ended 31.03.2022 (Current Year) ₹	Year ended 31.03.2021 (Previous Year) ₹
I.	Payments to and provisions for employees [3]	57561,98,54	50936,00,01
II.	Rent, taxes and lighting	5362,15,52	5253,17,14
III.	Printing and stationery	615,09,43	505,24,14
IV.	Advertisement and publicity	316,15,73	238,41,25
V.	Depreciation on Bank's property	3248,58,59	3317,55,25
VI.	Directors' fees, allowances and expenses	1,70,49	2,43,12
VII.	Auditors' fees and expenses (including branch auditors' fees and expenses)	270,60,67	274,18,79
VIII.	Law charges	241,38,60	215,25,31
IX.	Postages, Telegrams, Telephones etc.	507,66,87	301,86,59
X.	Repairs and maintenance	1036,20,89	916,42,58
XI.	Insurance	5239,81,42	4348,00,06
XII.	Other expenditure	18996,14,77	16343,68,11
TOTAL		**93397,51,52**	**82652,22,35**

[3] Payments to and provisions for employees includes exceptional item of ₹ 7418,39,00 thousand (Previous year Nil) for enhancement in Family Pension under 11th Bipartite Settlement and Joint Note dated November 11, 2020.

SCHEDULE 17: SIGNIFICANT ACCOUNTING POLICIES

A. Background:

State Bank of India (SBI or the Bank) is a banking and financial services statutory body engaged in providing a wide range of products and services to individuals, commercial enterprises, large corporates, public bodies, and institutional customers. The Bank is governed by the Banking Regulation Act, 1949, and the State Bank of India Act, 1955.

Following are the Significant Accounting Policies i.e., the specific accounting principles and methods of applying these principles in the preparation and presentation of financial statements of the Bank.

B. Basis of Preparation:

The accounting and reporting policies of the Bank conform to Generally Accepted Accounting Principles in India (Indian GAAP), comprising of regulatory norms, directions & guidelines prescribed by the Reserve Bank of India (RBI), statutory guidelines of the State Bank of India Act 1955, and the Banking Regulations Act, 1949, Accounting Standards issued by Institute of Chartered Accountants of India (ICAI), and the accounting practices prevalent in the banking industry in India.

In case of foreign offices, the statutory provisions, and practices of the local laws of the respective foreign country are followed if they are more prudent.

Bank's financial statements are prepared under the historical cost convention, with fundamental accounting assumptions of going concern, consistency, and accrual, unless otherwise stated.

The financial statements have been prepared in accordance with requirements under the Third Schedule of the Banking Regulation Act, 1949.

C. Use of Estimates:

The preparation of financial statements requires the management to make estimates and assumptions that are considered in the reported amount of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

D. Significant Accounting Policies:

1. Revenue recognition:

1.1 Income and expenditure are accounted on accrual basis, except otherwise stated.

1.2 Interest/ Discount income is recognised in the Profit and Loss Account on realisation basis for following:

i. Income from Non-Performing Assets (NPAs) including investments, as per the prudential norms prescribed by RBI/ respective country regulators in the case of foreign offices (hereafter collectively referred to as Regulatory Authorities),

ii. Income on Rupee Derivatives designated as "Trading"

1.3 In accordance with the guidelines issued by the Reserve Bank of India, Profit on sale of investments in the Held to Maturity (HTM) category and on sale of Fixed Assets is appropriated to Capital Reserve, net of applicable taxes and amount required to be transferred to Statutory Reserve.

The discount if any, on acquisition of investments in Held to Maturity (HTM) category is accounted as follows:

a. on interest bearing securities, it is accounted for at the time of sale/ redemption.

b. on zero-coupon securities, it is accounted for over the balance tenor of the security on a constant yield basis.

1.4 Dividend income is recognised when the right to receive the dividend is established.

1.5 Commission on Letters of Credit (LC)/ Bank Guarantee (BG), Deferred Payment Guarantee, Government Business, ATM interchange fee & "Upfront fee on restructured account" are recognised on accrual basis proportionately over the period. All other commission and fee income are accounted on a realisation basis.

1.6 One time Insurance Premium paid under Special Home Loan Scheme (December 2008 to June 2009) is amortised over the average loan period of 15 years.

1.7 Brokerage, Commission etc. paid/ incurred in connection with the issue of Bonds/ Deposits are amortized over the tenure of related Bonds/ Deposits and the expenses incurred in connection with the issue are charged upfront.

1.8 The Bank derecognises its financial assets when it sells to Securitisation Company (SC)/ Reconstruction Company (RC), and accounts for as under:

i. If the sale is at a price below the Net Book Value (NBV) (i.e., book value less provisions held), the shortfall is debited to the Profit and Loss Account in the year of sale.

ii. If the sale is for a value higher than the NBV, the excess provision is written back in the year the amounts are received.

2. Investments:

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation, as given below:

2.1 Classification:

As per RBI guidelines, investments are classified into Held to Maturity (HTM), Available for Sale (AFS) and Held for Trading (HFT) categories.

For disclosure in Balance Sheet, the investments are classified as Investments in India and outside India.

- Under each category, the investments in India are further classified as (i) Government Securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures and (vi) Others. The investments outside India are further classified as (i) Government Securities (ii) Subsidiaries and Joint Ventures (iii) Other Investments.

2.2 Basis of classification:

i. Investments that the Bank intends to hold till maturity are categorised as "Held to Maturity (HTM)".

ii. Investments that are held principally for resale within 90 days from the date of purchase are categorised as "Held for Trading (HFT)".

iii. Investments, which are not classified in above two categories, are classified as "Available for Sale (AFS)".

iv. An investment is classified as HTM, HFT or AFS at the time of its purchase and subsequent shifting amongst categories is done in conformity with regulatory guidelines.

v. Investments in subsidiaries and joint ventures are classified as HTM except in respect of those investments which are acquired and held exclusively with a view to its subsequent disposal. These investments are classified as AFS.

2.3 Valuation:

i. The transactions in all securities are recorded on a Settlement Date and cost is determined on the weighted average cost method except for investments under HTM category which are accounted on FIFO basis (First In First Out).

   a. Brokerage/ commission received on subscriptions is reduced from the cost. Brokerage, Commission, Securities Transaction Tax (STT) etc. paid in connection with acquisition of investments are expensed upfront and excluded from cost.

   b. Broken period interest paid/ received on debt instruments is treated as interest expense/ income and is excluded from cost/ sale consideration.

ii. **Valuation of investments classified as Held to Maturity:**

   a. Investments under Held to Maturity category are carried at acquisition cost. The premium paid on acquisition if any, is amortised over the term to maturity on a constant yield basis. Such amortisation of premium is accounted as income on investments.

   b. Investments (in India and abroad) in subsidiaries, joint ventures and associates are valued at historical cost. A provision is made for diminution, other than temporary, for each investment individually.

   c. Investments in Regional Rural Banks are valued at carrying cost (i.e., book value).

iii. **Valuation of investments classified as Available for Sale and Held for Trading:**

Investments classified as Available for Sale and Held for Trading are individually revalued at market price or fair value determined as per the regulatory guidelines and the net depreciation if any, of each group for each category (viz. (i) Government securities, (ii) Other Approved Securities, (iii) Shares, (iv) Bonds and Debentures, (v) Subsidiaries and Joint Ventures and (vi) others) is provided for and net appreciation is ignored.

iv. **Valuation policy in event of inter category transfer of investments:**

   a. Transfer of securities from HFT/ AFS category to HTM category is carried out at the lower of acquisition cost/ book value/ market value on the date of transfer. The depreciation, if any, on such transfer is fully provided for.

   b. Transfer of securities from HTM category to AFS category is carried out on acquisition price/ book value. On transfer, these securities are immediately revalued and resultant depreciation, if any, is provided, in the Profit and Loss Account.

v. **Valuation in case of sale of NPA (financial asset) to Securitisation Company (SC)/ Asset Reconstruction Company (ARC) against issue of Security Receipts:**

   a. The investment in security receipts obtained by way of sale of NPA to SC/RC, is recognised at lower of: (i) Net Book Value (NBV) (i.e. book value less provisions held) of the financial asset; and (ii) Redemption value of SR.

   b. SRs issued by an SC/ ARC are valued in accordance with the guidelines applicable to non-SLR instruments. Accordingly, in cases where the SRs issued by the SC/ ARC are limited to the actual realisation of the financial assets assigned to the instruments in the concerned scheme, the Net Asset Value, obtained from the SC/ ARC, is reckoned for valuation of such investments.

vi. Treasury Bills and Commercial Papers are valued at carrying cost.

2.4 Investments (NPI):

i. In respect of domestic offices, based on the guidelines issued by RBI, investments are classified as performing and non-performing as follows:

a. Interest/ instalment (including maturity proceeds) is due and remains unpaid for more than 90 days.

b. In the case of equity shares, in the event the investment in shares of any company is valued at Re. 1 per company on account of non-availability of the latest balance sheet, those equity shares would be reckoned as NPI.

c. The Bank also classifies an investment as a non-performing investment in case any credit facility availed by the same borrower/ entity has been classified as a non-performing asset and vice versa. The above is applied to Preference Shares where the fixed dividend is not paid.

d. The investments in debentures/ bonds, which are deemed to be advance, are also subjected to NPI norms as applicable to investments.

ii. In respect of foreign offices, classification, and provisions for non-performing investments (NPIs) are made as per the local regulations or as per the norms of RBI, whichever are more prudent.

2.5 Accounting for Repo/ Reverse Repo transactions:

The Bank enters Repurchase and Reverse Repurchase Transactions with RBI under Liquidity Adjustment Facility (LAF) and with market participants. Repurchase Transaction represents borrowing by selling the securities with an agreement to repurchase the securities. Reverse Repo Transactions on the other hand, represent lending funds by purchasing the securities.

i. Transactions with RBI under Liquidity Adjustment Facility (LAF) are accounted for as Collateralized Lending and Borrowing transactions.

ii. In Market Repo and Reverse Repo transaction, securities sold(purchased) and repurchased(resell) are accounted as normal outright sale(purchase) transactions and such movement of securities is reflected using the Repo/ Reverse Repo Accounts and contra entries. The above entries are reversed on the date of maturity.

iii. Balance in Repo Account is classified under Schedule 4 (Borrowings).

iv. The balance in Reverse Repo Account with original tenor of 14 days or less are classified under Schedule 7 (Balance with Banks and Money at call & short notice). Reverse Repos with original maturity more than 14 days but up to 1 year are classified as Cash Credits, overdrafts, and loans repayable on demand, under Schedule 9 (Advances). All other Reverse Repos are classified as Term Loans under Schedule 9 (Advances)

v. Borrowing cost of repo transactions and revenue on reverse repo transactions, with RBI or others, is accounted for as interest expense and interest income, respectively.

3. Loans/ Advances and Provisions thereon:

3.1 Based on the guidelines/ directives issued by the RBI, Loans and Advances are classified as performing and non-performing, as follows:

i. A term loan is classified as a non-performing asset, if interest and/ or instalment of principal remains overdue for a period of more than 90 days.

ii. An Overdraft or Cash Credit, is classified as a non-performing asset, if, the account remains “out of order”, i.e. if the outstanding balance exceeds the sanctioned limit/ drawing power continuously for a period of 90 days, or if there are no credits continuously for 90 days as on the date of balance sheet, or if the credits are not adequate to cover the interest debited during the same period.

iii. The bills purchased/ discounted are classified as Non-performing Asset, if the bill remains overdue for a period of more than 90 days.

iv. The agricultural advances are classified as a non-performing if, (a) for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons; and (b) for long duration crops, where the principal or interest remains overdue for one crop season.

3.2 NPAs are classified into Sub-Standard, Doubtful and Loss Assets, based on the following criteria stipulated by RBI:

i. Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months.

ii. Doubtful: A loan asset that has remained in the sub-standard category for a period of 12 months.

iii. Loss: A loan asset where loss has been identified but the amount has not been fully written off.

3.3 Provisions are made for NPAs as per the extant guidelines prescribed by the regulatory authorities, subject to minimum provisions as prescribed below:

Substandard Assets:	i.	A general provision of 15% on the total outstanding.
	ii.	Additional provision of 10% for exposures which are unsecured ab-initio (i.e. where realisable value of security is not more than 10 percent ab-initio);
	iii.	Unsecured Exposure in respect of infrastructure advances where certain safeguards such as escrow accounts are available - 20%.
Doubtful Assets:		
-Secured portion:	i.	Up to one year – 25%
	ii.	One to three years – 40%
	iii.	More than three years – 100%
-Unsecured portion	100%	
Loss Assets:	100%.	

3.4 In respect of foreign offices, the classification of loans and advances and provisions for NPAs are made as per the local regulations or as per the norms of RBI, whichever is more prudent.

3.5 Advances are net of specific loan loss provisions, unrealised interest, ECGC claims received and bills rediscounted.

3.6 For restructured/ rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which require that the difference between the fair value of the loans/ advances before and after restructuring is provided for, in addition to provision for the respective loans/ advances. The Provision for Diminution in Fair Value (DFV) and interest sacrifice, if any, arising out of the above, is reduced from advances.

3.7 In the case of loan accounts classified as NPAs, an account may be reclassified as a performing asset if it conforms to the guidelines prescribed by the regulators.

3.8 Amounts recovered against debts written off in earlier years are recognised as revenue in the year of recovery.

3.9 In addition to the specific provision on NPAs, general provisions are also made for standard assets as per extant RBI Guidelines. These provisions are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others" and are not considered for arriving at the Net NPAs.

3.10 The Bank also makes additional provisions on specific non-performing assets.

3.11 Appropriation of recoveries in NPAs are made in order of priority as under:

a. Charges, Costs, Commission etc.

b. Unrealized Interest / Interest

c. Principal

However, in Compromise and Resolution/ Settlement through National Company Law Tribunal (NCLT) cases, the recoveries are appropriated as per the terms of respective compromise/ resolution/ settlement. In case of suit filed accounts, recovery is appropriated as per directives of respective courts.

4. Floating Provisions & Countercyclical Provisioning Buffer:

The Bank has a policy for creation and utilisation of Countercyclical Provisioning Buffer in good times as well as for floating provisions separately for advances, investments, and general purposes. The quantum of floating provisions and Countercyclical Provisioning Buffer to be created is assessed at the end of the financial year. These provisions are utilised only for contingencies under extraordinary circumstances specified in the policy with prior permission of Reserve Bank of India.

5. Provision for Country Exposure:

In addition to the specific provisions held according to the asset classification status, provisions are also made for individual country exposures (other than the home country). Countries are categorised into seven risk categories, namely, insignificant, low, moderate, high, very high, restricted and off-credit and provisioning made as per extant RBI guidelines. If the country exposure (net) of the Bank in respect of each country does not exceed 1% of the total funded assets, no provision is maintained on such country exposures. The provision is reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions – Others".

6. Derivatives:

6.1 The Bank enters in derivative contracts, such as foreign currency options, interest rate swaps, currency swaps, cross currency interest rate swaps and forward rate agreements to hedge on-balance sheet/ off-balance sheet assets and liabilities or for trading purposes. The swap contracts entered to hedge on-balance sheet assets and liabilities are structured in such a way that they bear an opposite and offsetting impact with the underlying on-balance sheet items. The impact of such derivative instruments is correlated with the movement of the underlying assets and accounted in accordance with the principles of hedge accounting.

6.2 Derivative contracts classified as hedge are recorded on accrual basis. Hedge contracts are not marked to market unless the underlying assets/ liabilities are also marked to market.

6.3 Except as mentioned above, all other derivative contracts are marked to market as per the Generally Accepted Accounting Practices prevalent in the industry. In respect of derivative contracts that are marked to market, changes in the market value are recognised in the Profit and Loss Account in the period of change. Any receivable under derivative contracts, which remain overdue for more than 90 days, are reversed through Profit and Loss Account to "Suspense Account Crystallised Receivables". In cases where the derivative contracts provide for more settlement in future and if the derivative contract is not terminated on the overdue receivables remaining unpaid for 90 days, the positive MTM pertaining to future receivables is also reversed from Profit and Loss Account to "Suspense Account - Positive MTM".

6.4 Option premium paid or received is recorded in Profit and Loss Account at the expiry of the option. The balance in the premium received on options sold and premium paid on options bought is considered to arrive at Mark-to-Market value for forex Over the Counter (OTC) options.

6.5 Exchange Traded Derivatives entered in for trading purposes are valued at prevailing market rates based on rates given by the Exchange and the resultant gains and losses are recognized in the Profit and Loss Account.

7. Fixed Assets, Depreciation and Amortisation:

7.1 Fixed Assets are carried at cost less accumulated depreciation/ amortisation except for freehold premises carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation, as stated otherwise.

7.2 Cost includes cost of purchase and all expenditure such as site preparation, installation costs and professional fees incurred on the asset before it is put-to-use. Subsequent expenditure(s) incurred on the assets put-to-use are capitalised only when it increases the future benefits from such assets or their functioning capability. The fixed assets in domestic offices are depreciated at straight line method based on useful life of the assets states as under:

Sl. No.	Description of Fixed Assets	Useful life for Depreciation
i.	Computers	3 years
ii.	Computer Software forming an integral part of the computer hardware	3 years
iii.	Computer Software which does not form an integral part of Computer hardware and cost of Software Development	3 years
iv,	Automated Teller Machine/ Cash Deposit Machine/ Coin Dispenser/ Coin Vending Machine	5 years
v.	Server	4 years
vi.	Network Equipment	5 years
vii.	Other major fixed assets:	
	Premises	60 Years
	Vehicles	5 Years
	Safe Deposit Lockers	20 Years
	Furniture & Fixtures	10 Years

7.3 In respect of assets acquired during the year (for domestic operations), depreciation is charged on proportionate basis for the number of days the assets have been put-to-use during the year.

7.4 Assets costing less than ₹ 1,000 each are charged off in the year of purchase.

7.5 In respect of leasehold premises, the lease premium, if any, is amortised over the period of lease (except for premises and land on perpetual lease) and Lease payments for assets taken on Operating lease are recognised as expense in the Profit & Loss account over the lease term on straight line basis.

7.6 In respect of fixed assets held at foreign offices, depreciation is provided as per the regulations / norms of the respective countries.

7.7 The Bank revalue freehold immovable assets at every three years. The increase in Net Book Value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account. Additional Depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to General Reserve. The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

8. Leases:

The asset classification and provisioning norms applicable to advances, as laid down in Para 3 above, are applied to financial leases also.

9. Impairment of Assets:

Fixed Assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future Net Discounted Cash Flows expected to be generated by the asset. If such assets are impaired, the impairment to be recognised is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

10. Effect of changes in the foreign exchange rate:

10.1 Foreign Currency Transactions:

i. Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of transaction.

ii. Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India (FEDAI) closing (spot/ forward) rates.

iii. Foreign currency non-monetary items, which are carried at historical cost, are reported using the exchange rate on the date of the transaction.

iv. Contingent liabilities denominated in foreign currency are reported using the FEDAI closing spot rates.

v. Outstanding foreign exchange spot and forward contracts held for trading are revalued at the exchange rates notified by FEDAI for specified maturities, and the resulting Profit or Loss is recognised in the Profit and Loss Account.

vi. Foreign exchange forward contracts which are not intended for trading and are outstanding on the balance sheet date, are re-valued at the closing spot rate. The premium or discount arising at the inception of such forward exchange contract is amortised as expense or income over the life of the contract.

vii. Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognised as income or as expense in the period in which they arise.

viii. Gains/ Losses on account of changes in exchange rates of open position in currency futures trades are settled with the exchange clearing house on daily basis and such gains/ losses are recognised in the Profit and Loss Account.

10.2 Foreign Operations:

Foreign Branches of the Bank and Offshore Banking Units (OBU) have been classified as Non-integral Operations and Representative Offices have been classified as Integral Operations.

i. Non-integral Operations:

a. Both monetary and non-monetary foreign currency assets and liabilities including contingent liabilities of non-integral foreign operations are translated at closing exchange rates notified by FEDAI at the Balance Sheet date.

b. Income and expenditure of non-integral foreign operations are translated at quarterly average closing rates notified by FEDAI.

c. Exchange differences arising on investment in non-integral foreign operations are accumulated in Foreign Currency Translation Reserve until the disposal of the investment.

d. The Assets and Liabilities of foreign offices in foreign currency (other than local currency of the foreign offices) are translated into local currency using spot rates applicable to that country on the balance sheet date.

ii. Integral Operations:

a. Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of transaction.

b. Monetary foreign currency assets and liabilities of integral foreign operations are translated at closing (Spot/ Forward) exchange rates notified by FEDAI at the balance sheet date and the resulting Profit/ Loss is included in the Profit and Loss Account. Contingent Liabilities are translated at Spot rate.

c. Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate on the date of the transaction.

11. Employee Benefits:

11.1 Short Term Employee Benefits:

The undiscounted amounts of short-term employee benefits, such as medical benefits which are expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

11.2 Long Term Employee Benefits:

i. Defined Benefit Plans:

a. The Bank operates a Provident Fund scheme. All eligible employees are entitled to receive benefits under the Bank's Provident Fund scheme. The Bank contributes to the fund at 10% of employee's basic pay plus eligible allowance monthly. These contributions are remitted to a Trust established for this purpose and are charged to Profit and Loss Account. The Bank recognizes such annual contributions as an expense in the year to which it relates. Shortfall, if any, is provided for based on actuarial valuation.

b. The Bank operates Gratuity and Pension schemes which are defined benefit plans.

- The Bank provides for gratuity to all eligible employees. The benefit is in the form of lump sum payments to vested employees on retirement, or on death while in employment, or on termination of employment, for an amount equivalent to 15 days basic salary payable for each completed year of service, subject to the cap prescribed by the Statutory Authorities or Service Gratuity without cap for erstwhile Associate Bank's employees. Vesting occurs upon completion of five years of service. The Bank makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation carried out annually.

- The Bank provides for pension to all eligible employees. The benefit is in the form of monthly payments as per rules to vested employees on retirement or on death while in employment, or on termination of employment. Vesting occurs at different stages as per rules. The Bank makes monthly contribution to the Pension Fund at 10% of salary in terms of SBI Employees' Pension Fund Regulations. The pension liability is reckoned based on an independent actuarial valuation carried out annually and Bank makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the Pension Fund Regulations.

c. The cost of providing defined benefits is determined using the projected unit credit method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains/ losses are immediately recognised in the Profit and Loss Account and are not deferred.

ii. Defined Contribution Plan:

The Bank operates a New Pension Scheme (NPS) for all officers/ employees joining the Bank on or after 1st August 2010, which is a defined contribution plan. (Such new joinees not being entitled to become members of the existing SBI Pension Scheme). As per the scheme, these employees contribute 10% of their basic pay plus dearness allowance to the scheme together with Bank's contribution at 14% of basic pay plus dearness allowance. Pending completion of registration procedures of the employees concerned, these contributions are retained as deposits in the Bank and earn interest at the rate applicable to Provident Fund balance. The Bank recognizes such annual contributions and interest as an expense in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS Trust.

iii. Other Long Term Employee Benefits:

a. All eligible employees of the Bank are eligible for compensated absences, silver jubilee award, leave travel concession, retirement award and resettlement allowance. The costs of such long-term employee benefits are internally funded by the Bank.

b. The cost of providing other long-term benefits is determined using the projected unit credit method with actuarial valuations being carried out at each Balance Sheet date. Past service cost, if any, is immediately recognised in the Profit and Loss Account and is not deferred.

11.3 Employee benefits relating to employees employed at foreign offices are valued and accounted for as per the respective local laws/ regulations.

12. Segment Reporting:

The Bank recognises the business segment as the primary reporting segment and geographical segment as the secondary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 issued by Institute of Chartered Accountants of India.

13. Taxes on income:

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22 – "Accounting for Taxes on Income" respectively after considering taxes paid at the foreign offices, which are based on the tax laws of respective jurisdictions. Deferred Tax adjustments comprises of changes in the deferred tax assets or liabilities during the year. Deferred tax assets and liabilities are recognised by considering the impact of timing differences between taxable income and accounting income for the current year and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognised in the profit and loss account. Deferred tax assets are recognised and re-assessed at each reporting date, based upon management's judgment as to whether their realisation is considered as reasonably certain. Deferred Tax Assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future profits.

14. Earnings per Share:

14.1. The Bank reports basic and diluted earnings per share in accordance with AS 20 –"Earnings per Share" issued by the ICAI. Basic Earnings per Share are computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

14.2 Diluted Earnings per Share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted Earnings per Share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at year end.

15. Provisions, Contingent Liabilities and Contingent Assets:

15.1 In conformity with AS 29, "Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India, the Bank recognises provisions only when it has a present obligation because of a past event, and would result in a probable outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of the obligation can be made.

15.2 No provision is recognised for:

i. any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or

ii. any present obligation that arises from past events but is not recognised because:

a. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

b. a reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed at regular intervals and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

15.3 Provision for reward points in relation to the debit card holders of the Bank is being provided for on actuarial estimates.

15.4 Provisions for onerous contracts are recognised when the expected benefits to be derived by the Bank from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Bank recognises any impairment loss on the assets associated with that contract.

15.5 Contingent Assets are not recognised in the financial statements.

16. Bullion Transactions:

The Bank imports bullion including precious metal bars on a consignment basis for selling to its customers. The imports are typically on a back-to-back basis and are priced to the customer based on price quoted by the supplier. The Bank earns a fee on such bullion transactions. The fee is classified under commission income. The Bank also accepts deposits and lends gold, which is treated as deposits/ advances as the case may be with the interest paid/ received classified as interest expense/ income. Gold Deposits, Metal Loan Advances and closing Gold Balances are valued at available Market Rate as on the date of Balance Sheet.

17. Special Reserves:

Revenue and other Reserve include Special Reserve created under Section 36(i)(viii) of the Income Tax Act, 1961. The Board of Directors of the Bank has passed a resolution approving creation of the reserve and confirming that it has no intention to make withdrawal from the Special Reserve.

18. Share Issue Expenses:

Share issue expenses are charged to the Share Premium Account.

19. Cash and cash equivalents:

Cash and cash equivalents include Cash and Balances with RBI, Balances with Banks and money at call and short notice.

SCHEDULE – 18: NOTES TO ACCOUNTS

18.1 Regulatory Capital

a. Composition of Regulatory Capital

AS PER BASEL II

Sr. No.	Items	As at 31st March, 2022	As at 31st March, 2021
(i)	Common Equity Tier 1 Capital Ratio (%)	N.A.	
(ii)	Tier 1 capital ratio (%)	11.16%	11.19%
(iii)	Tier 2 capital ratio (%)	2.69%	2.63%
(iv)	Total Capital Ratio (%)	13.85%	13.82%

AS PER BASEL III

(₹ in crore)

Sr. No.	Items	As at 31st March, 2022	As at 31st March, 2021
(i)	Common Equity Tier 1 Capital	2,46,360.79	2,25,248.09
(ii)	Additional Tier 1 Capital	36,709.70	31,928.94
(iii)	Tier 1 Capital (i + ii)	2,83,070.49	2,57,177.03
(iv)	Tier 2 capital	59,721.52	51,715.70
(v)	Total capital (Tier 1 + Tier 2)	3,42,792.01	3,08,892.73
(vi)	Total risk weighted Assets (RWAs)	24,78,703.46	22,49,038.34
(vii)	CET 1 Ratio (%) (CET 1 as a percentage of RWAs)	9.94%	10.02%
(viii)	Tier 1 capital ratio (%) (Tier 1 capital as a percentage of RWAs)	11.42%	11.44%
(ix)	Tier 2 capital ratio (%) (Tier 2 capital as a percentage of RWAs)	2.41%	2.30%
(x)	Capital to Risk weighted Assets Ratio (CRAR) (%) (Total capital as a percentage of RWAs)	13.83%	13.74%
(xi)	Leverage ratio	5.09%	5.12%
(xii)	Percentage of the Shareholding of Government of India	56.92%	56.92%
(xiii)	Amount of paid-up equity capital raised during the year	-	-
(xiv)	Amount of Non equity Tier 1 capital raised during the year: Basel III compliant Perpetual Debt Instruments	13,974.00	6,500.00
(xv)	Amount of Tier 2 capital raised during the year: Debt Capital instruments	-	20,931.00

RBI vide circular No. DBR.No.BP.BC.83/21.06.201/2015-16 dated March 1, 2016, has given discretion to banks to consider Revaluation Reserve, Foreign Currency Translation Reserve and Deferred Tax Asset for purposes of computation of Capital Adequacy as CET– I capital ratio. The Bank has exercised the option in the above computation.

b. Drawdown from Reserves:

During the year, there has been no draw down from the reserves to the Profit & Loss Account.

c. Innovative Perpetual Debt Instruments (IPDI)

The details of IPDI issued which qualify for Hybrid Tier I Capital and outstanding are as under:

i. Foreign

(₹ in crore)

Particulars	Date of Issue	Tenor	Amount	Equivalent ₹ as on 31st March, 2022	Equivalent ₹ as on 31st March, 2021
Additional Tier 1 (AT1) Bonds issued under MTN Programme 29th Series	22.09.2016	Perpetual Non Call 5 years	USD 300 million	NIL	2,193.30

ii. Domestic

(₹ in crore)

Sr. No.	Nature of Bonds	Principal Amount	Date of Issue	Rate of Interest % p.a.
1.	SBI Non Convertible Perpetual Bonds 2017 Unsecured Basel III AT 1 Series IV	2,000.00	02.08.2017	8.15
2.	SBI Non Convertible, Unsecured, Basel III- AT 1 Bonds 2018	4,021.00	04.12.2018	9.56
3.	SBI Non Convertible, Unsecured, Basel III- AT 1 Bonds 2018 Series II	2,045.00	21.12.2018	9.37
4.	SBI Non Convertible, Unsecured, Basel III- AT 1 Bonds 2018 Series III	1,251.30	22.03.2019	9.45
5.	SBI Non Convertible, Unsecured, Basel III- AT 1 Bonds 2019-20 Series I	3,104.80	30.08.2019	8.75
6.	SBI Non Convertible, Unsecured, Basel III- AT 1 Bonds 2019-20 Series II	3,813.60	22.11.2019	8.50
7.	SBI Basel III AT1 Bond 2020-21 Series 1	4,000.00	09.09.2020	7.74
8.	SBI Non Convertible Unsecured Basel III AT1 Bonds – Series II 2020	2,500.00	24.11.2020	7.73
9.	SBI Non Convertible Unsecured Basel III AT1 Bonds Series I 2021	4,000.00	03.09.2021	7.72
10.	SBI Non Convertible Unsecured Basel III AT1 Bonds Series II 2021	6,000.00	18.10.2021	7.72
11.	SBI Non Convertible Unsecured Basel III AT1 Bonds Series III 2021	3,974.00	14.12.2021	7.55
TOTAL		**36,709.70**		

d. Subordinated Debts

The bonds are unsecured, long term, non-convertible and are redeemable at par. The details of outstanding subordinate debts are as under: -

(₹ in crore)

Sr. No.	Nature of Bonds	Principal Amount	Date of Issue /Date of Redemption	Rate of Interest % P.A.	Maturity Period in Months
1.	SBI Non Convertible	2,000.00	02.01.2014	9.69	120
	(Private placement) Bonds 2013-14 (Tier II)		02.01.2024		
2.	e-SBM Tier II	500.00	17.12.2014	8.55	120
	Basel III compliant		17.12.2024		
3.	e -SBP Tier II	950.00	22.01.2015	8.29	120
	Basel III compliant (series I)		22.01.2025		
4.	e- SBBJ Tier II	200.00	20.03.2015	8.30	120
	Basel III compliant		20.03.2025		
5.	e -SBH Tier II	393.00	31.03.2015	8.32	120
	Basel III compliant (Series XIV)		31.03.2025		
6.	e -SBH Tier II	500.00	30.12.2015	8.40	120
	Basel III compliant (Series XV)		30.12.2025		
7.	e-SBM Tier II	300.00	31.12.2015	8.40	120
	Basel III compliant		31.12.2025		
8.	e-SBM Tier II	200.00	18.01.2016	8.45	120
	Basel III compliant		18.01.2026		
9.	e -SBH Tier II	200.00	08.02.2016	8.45	120
	Basel III compliant (Series XVI)		08.02.2026		
10.	SBI Non Convertible, Unsecured	4,115.90	02.11.2018	8.90	120
	Basel III - Tier II Bonds 2018		02.11.2028		
11.	SBI Non Convertible, Unsecured	5,000.00	28.06.2019	7.99	120
	Basel III - Tier II Bonds 2019-20		28.06.2029		
12.	SBI Basel III T2 Bond 20-21	8,931.00	21.08.2020	6.80	180
	Series 1		21.08.2035		
13.	SBI Basel III Tier 2 Bond20-21	7,000.00	21.09.2020	6.24	120
	Series 2		21.09.2030		
14.	SBI Basel III Tier 2 Bond 20-21	5,000.00	26.10.2020	5.83	120
	Series 3		26.10.2030		
TOTAL		**35,289.90**			

18.2. Asset Liability Management:

a. Maturity pattern of certain items of assets and liabilities as at 31st March, 2022

(₹ in crore)

	Day1	2-7 Days	8-14 Days	15 to 30 days	Over 31 days and upto 2 months	Over 2 months and upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 Year	Over 1 Year & upto 3 years	Over 3 Years & upto 5 years	Over 5 Years	Total
Deposits	65,464.24	79,811.62	49,407.77	66,029.77	74,518.20	62,378.97	1,69,876.16	9,51,227.96	8,88,676.97	4,42,764.54	12,01,377.92	40,51,534.12
	(61,000.40)	(81,740.96)	(37,397.22)	(60,992.50)	(67,323.35)	(52,966.63)	(1,47,492.87)	(8,84,125.18)	(7,95,452.18)	(3,81,382.99)	(11,11,402.81)	(36,81,277.08)
Advances	35,455.14	17,489.88	21,462.78	45,328.82	57,802.93	59,606.96	1,53,396.53	2,20,131.63	9,63,157.51	3,58,491.91	8,01,642.50	27,33,966.59
	(44,156.96)	(13,618.48)	(16,535.47)	(37,631.95)	(44,757.21)	(35,877.97)	(1,17,416.16)	(1,98,447.37)	(8,70,870.70)	(3,19,249.93)	(7,50,935.58)	(24,49,497.79)
Investments	324.55	1,146.46	4,577.73	3,851.73	9,930.25	21,605.55	58,778.27	96,380.18	3,88,944.97	2,54,458.06	6,41,447.72	14,81,445.47
	(-)	(723.63)	(16,260.31)	(6,012.07)	(9,495.37)	(28,297.98)	(51,810.86)	(99,275.54)	(3,31,272.42)	(2,25,496.00)	(5,83,061.03)	(13,51,705.21)
Borrowings	58.99	1,50,299.24	7,992.20	12,734.96	18,023.76	16,628.14	27,877.17	21,910.67	86,386.10	60,331.41	23,800.74	4,26,043.38
	(823.85)	(1,53,783.04)	(1,469.67)	(11,857.36)	(13,923.44)	(14,091.50)	(38,619.46)	(33,828.43)	(68,089.88)	(50,667.23)	(30,143.85)	(4,17,297.70)
Foreign Currency Assets #	10,959.11	7,939.73	12,880.42	25,295.77	31,319.50	32,758.84	60,542.17	58,350.82	1,29,602.34	80,642.55	63,806.67	5,14,097.92
	(20,756.79)	(4,673.29)	(6,896.79)	(15,877.37)	(18,425.06)	(21,565.40)	(42,269.41)	(52,925.55)	(1,21,257.36)	(78,665.89)	(61,116.20)	(4,44,429.10)
Foreign Currency Liabilities $	30,609.40	9,560.59	9,743.65	17,542.84	22,526.37	26,932.35	43,668.69	56,277.39	70,303.27	46,238.82	21,258.68	3,54,662.04
	(27,955.86)	(8,346.94)	(2,687.12)	(16,523.04)	(20,318.23)	(21,034.39)	(45,402.52)	(63,708.64)	(57,863.70)	(39,598.84)	(14,511.65)	(3,17,950.91)

Foreign Currency Assets represent advances and investments.

$ Foreign Currency Liabilities represent borrowings and deposits.

(Figures in brackets are as at 31st March, 2021).

b. Liquidity Coverage Ratio (LCR):

i. Standalone LCR

- Liquidity Coverage Ratio (LCR) standard represents an unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under significantly severe liquidity stress scenario.

$$\text{LCR} = \frac{\text{Stock of high-quality liquid assets (HQLAs)}}{\text{Total net cash outflow over the next 30 calendar days}}$$

- Liquid assets comprise of high-quality assets that can be readily encashed or used as collateral to obtain cash in a range of stress scenarios.
- There are two categories of assets included in the stock of HQLAs, viz. Level 1 and Level 2 assets. While Level 1 assets are with 0% haircut, Level 2A and Level 2 B assets are with 15% and 50% haircuts respectively.
- The total net cash outflow is the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days.
- Total expected cash outflows are calculated by multiplying the outstanding balances of various categories or types of liabilities and off-balance sheet commitments by the rates at which they are expected to run off or be drawn down.

- Total expected cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in up to an aggregate cap of 75% of total expected cash outflows.

Quantitative Disclosure:

(₹ in crore)

LIQUIDITY COVERAGE RATIO

		Quarter ended March 31, 2022		Quarter ended December 31, 2021		Quarter ended September 30, 2021		Quarter ended June 30, 2021		Quarter ended March 31, 2021	
	LCR COMPONENTS	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)
HIGH QUALITY LIQUID ASSETS (HQLA)											
1	Total High Quality Liquid Assets(HQLA)		11,26,684		12,04,678		12,18,824		11,62,073		11,65,122
CASH OUTFLOWS											
2	Retail Deposits and deposits from small business customers, of which:										
(i)	Stable deposits	8,54,540	42,727	8,54,954	42,748	8,53,988	42,699	8,49,046	42,452	8,29,333	41,467
(ii)	Less Stable Deposits	18,66,220	1,86,622	18,30,855	1,83,085	18,08,831	1,80,883	17,78,038	1,77,804	17,47,243	1,74,724
3	Unsecured wholesale funding, of which:										
(i)	Operational deposits(all counterparties)	0	0	0	0	0	0	0	0	781	195
(ii)	Non-operational deposits (all counterparties)	10,33,929	6,30,544	9,78,700	5,95,527	9,65,937	5,90,798	9,42,797	5,61,775	8,83,699	5,41,738
(iii)	Unsecured debt	0	0	0	0	0	0	0	0	0	0
4	Secured wholesale funding	1,76,267	25	1,50,878	631	1,01,830	966	1,12,241	914	1,39,993	1,372
5	Additional requirements, of which										
(i)	Outflows related to derivative exposures and other collateral requirements	4,01,193	4,01,193	3,41,852	3,41,852	2,51,345	2,51,345	2,12,326	2,12,326	1,52,989	1,52,989
(ii)	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0	0	0
(iii)	Credit and liquidity facilities	47,971	7,990	48,280	8,428	44,694	7,887	44,185	7,737	43,125	7,326
6	Other contractual funding obligations	38,146	38,146	33,522	33,522	32,885	32,885	30,260	30,260	39,215	39,215
7	Other contingent funding obligations	6,37,250	22,598	6,21,723	22,080	6,00,776	21,438	5,99,963	21,304	6,10,132	22,007
8	TOTAL CASH OUTFLOWS	50,55,515	13,29,845	48,60,765	12,27,873	46,60,286	11,28,902	45,68,854	10,54,572	44,46,513	9,81,034
CASH INFLOWS											
9	Secured lending(eg. Reverse repos)	75,185	0	1,04,007	0	1,16,529	0	1,01,723	0	1,46,720	0
10	Inflows from fully performing exposures	5,04,133	4,77,011	4,29,257	4,07,358	3,40,078	3,14,257	3,07,393	2,81,125	2,36,691	2,11,019
11	Other cash inflows	44,252	36,201	50,861	43,821	60,045	52,093	51,715	44,892	41,962	35,399
12	TOTAL CASH INFLOWS	6,23,571	5,13,212	5,84,125	4,51,179	5,16,653	3,66,350	4,60,832	3,26,017	4,25,373	2,46,418
13	TOTAL HQLA		11,26,684		12,04,678		12,18,824		11,62,073		11,65,122
14	TOTAL NET CASH OUTFLOWS		8,16,633		7,76,695		7,62,552		7,28,555		7,34,616
15	LIQUIDITY COVERAGE RATIO(%)		137.97%		155.10%		159.83%		159.50%		158.60%

In accordance with RBI guidelines vide circular No. RBI/2014-15/529 DBR. No. BP.BC.80/21.06.201/2014-15 dated 31st March 2015, average weighted and unweighted amounts have been calculated taking simple daily average since 1st January 2017. We have considered 66 data points for the quarter January to March 2022.

Bank's LCR comes to 137.97% based on daily average of three months (Q4 FY21-22) and is above the minimum regulatory requirement of 100%. Average HQLA held during the quarter was ₹ 11,26,684 crore, with 95.14% being Level 1 assets. Level 2A and Level 2B assets constitute 4.23% and 0.63% of total HQLA, respectively. Government Securities constituted 95.68% of Total Level 1 Assets. During the quarter, the weighted average HQLA level has decreased by ₹ 77,994 crore, primarily on account of decrease in excess SLR balance and the weighted average net cash outflows position has gone up by ₹ 39,938 crore, mainly on account of increase in cash outflows in unsecured wholesale funding. Derivative exposures are considered insignificant due to almost matching inflows and outflows position. During the quarter, LCR for USD (significant Foreign Currency constituting more than 5% of the Balance Sheet of the Bank) was at 339.84%, on an average.

Liquidity Management in the Bank is driven by the ALM Policy of the Bank and regulatory prescriptions. The Domestic and International Treasuries are apprising the liquidity position to the Asset Liability Management Committee (ALCO) of the Bank. The ALCO has been empowered by the Bank's Board to formulate the Bank's funding strategies to ensure that the funding sources are well diversified and is consistent with the operational requirements of the Bank. All the major decisions of ALCO are being reported to the Bank's Board subsequently. In addition to daily/monthly LCR reporting, Bank also prepares daily Structural Liquidity statements to assess the liquidity needs of the Bank on an ongoing basis.

The Bank has been maintaining HQLA mainly in the form of SLR investments over and above the mandatory requirements. Retail deposits constitute major portion of total funding sources, which are well diversified. Management is of the view that the Bank has sufficient liquidity cover to meet its likely future commitments.

ii. Consolidated LCR

The RBI through a supplementary guideline issued on March 31, 2015 had stipulated the implementation of LCR at a consolidated level from January 1, 2016 and accordingly, LCR has been computed at Group level.

The entities covered in the Group LCR are SBI and seven Overseas Banking Subsidiaries - Commercial Indo Bank LLC, Moscow, Nepal SBI Bank Ltd., State Bank of India (California) Ltd, SBI Canada Bank, State Bank of India (Mauritius) Ltd, Bank SBI Indonesia and SBI (UK) Ltd.

SBI Group LCR comes to 138.29% as on 31st March 2022 based on average of three months January, February and March, 2022, which is above the minimum regulatory requirement of 100%.

The Group has been maintaining HQLA mainly in the form of SLR investments over and above the mandatory requirements. Retail deposits constitute major portion of total funding sources, and such funding sources are well diversified. Management is of the view that the Bank has sufficient liquidity cover to meet its likely future short-term requirements.

(₹ in crore)

Group Liquidity Coverage Ratio (LCR)

LIQUIDITY COVERAGE RATIO

State Bank of India Group

		Quarter ended March 31, 2022		Quarter ended December 31, 2021		Quarter ended September 30, 2021		Quarter ended June 30, 2021		Quarter ended March 31, 2021	
	GLCR COMPONENTS	Total Unweighted Value (Average)**	Total Weighted Value (Average)	Total Unweighted Value (Average)**	Total Weighted Value (Average)	Total Unweighted Value (Average)**	Total Weighted Value (Average)	Total Unweighted Value (Average)**	Total Weighted Value (Average)	Total Unweighted Value (Average)**	Total Weighted Value (Average)
HIGH QUALITY LIQUID ASSETS (HQLA)											
1	Total High Quality Liquid Assets(HQLA)		11,32,828		12,10,622		12,24,707		11,68,393		11,71,796
CASH OUTFLOWS											
2	Retail Deposits and deposits from small business customers, of which:										
(i)	Stable deposits	8,63,104	43,155	8,63,351	43,168	8,62,161	43,108	8,57,321	42,866	8,37,619	41,881
(ii)	Less Stable Deposits	18,77,488	1,87,749	18,42,354	1,84,235	18,20,108	1,82,011	17,89,453	1,78,945	17,58,476	1,75,848
3	Unsecured wholesale funding, of which:										
(i)	Operational deposits(all counterparties)	213	53	197	49	167	42	182	46	920	230
(ii)	Non-operational deposits(all counterparties)	10,36,748	6,32,558	9,81,606	5,97,336	9,69,609	5,93,180	9,45,679	5,63,525	8,86,157	5,43,301
(iii)	Unsecured debt	0	0	0	0	0	0	0	0	0	0
4	Secured wholesale funding	1,76,737	156	1,51,134	663	1,02,032	971	1,12,528	943	1,40,383	1,428
5	Additional requirements, of which										
(i)	Outflows related to derivative exposures and other collateral requirements	4,01,387	4,01,387	3,42,056	3,42,056	2,51,550	2,51,550	2,12,526	2,12,526	1,53,055	1,53,055
(ii)	Outflows related to loss of funding on debt products	0	0	0	0	0	0	0	0	0	0
(iii)	Credit and liquidity facilities	50,247	8,719	50,566	9,310	47,147	9,162	46,239	8,783	44,886	8,251
6	Other contractual funding obligations	39,315	39,315	34,397	34,397	33,925	33,925	31,741	31,741	40,907	40,907
7	Other contingent funding obligations	6,39,545	22,668	6,24,030	22,151	6,02,932	21,504	6,02,047	21,368	6,12,100	22,068
8	**TOTAL CASH OUTFLOWS**	**50,84,784**	**13,35,760**	**48,89,692**	**12,33,364**	**46,89,631**	**11,35,454**	**45,97,715**	**10,60,743**	**44,74,505**	**9,86,968**
CASH INFLOWS											
9	Secured lending(eg. Reverse repos)	75,185	0	1,04,007	0	1,16,529	0	1,01,723	0	1,46,720	0
10	Inflows from fully performing exposures	5,10,004	4,80,116	4,34,728	4,10,185	3,46,439	3,18,022	3,13,594	2,85,384	2,42,807	2,14,517
11	Other cash inflows	44,508	36,457	51,154	44,115	60,338	52,386	52,015	45,192	42,301	35,739
12	**TOTAL CASH INFLOWS**	6,29,697	5,16,572	5,89,889	4,54,299	5,23,306	3,70,407	4,67,333	3,30,576	4,31,828	2,50,255
13	**TOTAL HQLA**		11,32,828		12,10,622		12,24,707		11,68,393		11,71,796
14	**TOTAL NET CASH OUTFLOWS**		8,19,188		7,79,065		7,65,046		7,30,167		7,36,713
15	**LIQUIDITY COVERAGE RATIO(%)**		**138.29%**		**155.39%**		**160.08%**		**160.02%**		**159.06%**

** Monthly average of 3 months data considered for Overseas Banking Subsidiaries and daily average considered for SBI(Solo).

c. Net Stable Funding Ratio:

i. Standalone Net Stable Funding Ratio:

Net Stable Funding Ratio (NSFR) guidelines ensure reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress. The NSFR is defined as the amount of Available Stable Funding relative to the amount of Required Stable Funding.

$$\text{NSFR} = \frac{\text{Available Stable Funding (ASF)}}{\text{Required Stable Funding (RSF)}} \geq 100\%$$

Quantitative Disclosure: The following table contains the unweighted and weighted values of the NSFR components of the SBI (Solo) as at 31st March 2022 (i.e. quarter end observations)

(₹ in crore)

NET STABLE FUNDING RATIO						
	State Bank of India					
	NSFR DISCLOSURE TEMPLATE AS ON QUARTER ENDED 31.03.2022					
		Unweighted value by residual maturity				**Weighted value**
		No maturity	**< 6 months**	**6 months to < 1yr**	**≥ 1yr**	
ASF Item						
1	Capital: (2+3)	0.00	0.00	0.00	3,71,575.25	3,71,575.25
2	*Regulatory capital*	0.00	0.00	0.00	3,71,575.25	3,71,575.25
3	*Other capital instruments*	0.00	0.00	0.00	0.00	0.00
4	Retail deposits and deposits from small business customers: (5+6)	13,32,707.42	4,96,720.45	4,73,676.67	4,41,565.50	25,12,074.46
5	*Stable deposits*	3,97,510.32	1,59,617.16	1,58,337.71	1,21,962.95	7,95,556.75
6	*Less stable deposits*	9,35,197.10	3,37,103.29	3,15,338.96	3,19,602.55	17,16,517.71
7	Wholesale funding: (8+9)	2,61,621.14	3,60,809.65	2,14,647.50	3,21,658.65	7,11,288.10
8	*Operational deposits*	0.00	0.00	0.00	0.00	0.00
9	*Other wholesale funding*	2,61,621.14	3,60,809.65	2,14,647.50	3,21,658.65	7,11,288.10
10	Other liabilities: (11+12)	0.00	1,09,566.48	40,699.68	19,089.97	0.00
11	*NSFR derivative liabilities*		0.00	0.00	0.00	
12	*All other liabilities and equity not included in the above categories*	861507.19	1,09,566.48	40,699.68	19,089.97	0.00
13	**Total ASF (1+4+7+10)**					35,94,937.82
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					72,249.74
15	Deposits held at other financial institutions for operational purposes	22,644.31	51,632.15	0.00	3,270.25	38,773.35
16	Performing loans and securities: (17+18+19+21+23)	6,232.82	6,12,568.65	3,14,457.29	7,37,706.91	9,39,729.93
17	*Performing loans to financial institutions secured by Level 1 HQLA*	0.00	482.38	0.00	0.00	48.24
18	*Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions*	0.00	94,241.86	0.00	0.00	14,136.28
19	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:*	0.00	5,17,844.41	3,14,457.29	3,56,750.80	6,48,038.87
20	*With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk*	0.00	0.00	0.00	3,56,750.80	2,31,888.02
21	*Performing residential mortgages, of which:*	0.00	0.00	0.00	2,58,020.23	1,67,713.15
22	*With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk*	0.00	0.00	0.00	2,58,020.23	1,67,713.15
23	*Securities that are not in default and do not qualify as HQLA, including exchange-traded equities*	6,232.82	0.00	0.00	1,22,935.88	1,09,793.40
24	Other assets: (sum of rows 25 to 29)	9,75,855.98	89,197.59	2,666.00	11,02,846.97	19,58,771.90
25	*Physical traded commodities, including gold*	0.00				0.00
26	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		0.00	0.00	0.00	1,041.85
27	*NSFR derivative assets*		4,647.22	0.00	0.00	4,647.22
28	*NSFR derivative liabilities before deduction of variation margin posted*		1,814.12	1,454.08	927.53	4,195.73
29	*All other assets not included in the above categories*	9,75,855.98	82,736.25	1,211.92	11,01,919.44	19,48,887.09
30	Off-balance sheet items		6,93,866.35	0.00	0.00	25,393.38
31	**Total RSF (14+15+16+24+30)**					30,34,918.29
32	**Net Stable Funding Ratio (%)**					118.45%

In accordance with RBI guidelines vide circular No. RBI/2017-18/178, DBR.BP.BC.No.106/21.04.098/2017-18 dated 17-May-2018, the quarter end observations are presented in the template above.

Bank's NSFR comes to 118.45% as at the end of the quarter Q4 (FY 2021-22) and is above the minimum regulatory requirement of 100% set out in the RBI guideline effective from October 01, 2021. The Available Stable Funding (ASF) as on 31.03.2022 stood at ₹ 35,94,938 crores and amount for Required Stable Funding (RSF) as on 31.03.2022 was ₹ 30,34,918 crores. There is an increase in the values of the total ASF and total RSF as on 31.03.2022 over 31.12.2021. ASF is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered for the NSFR, which extends to one year. The amount of stable funding required (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its Off-Balance Sheet (OBS) exposures.

Liquidity Management in the Bank is driven by the ALM Policy of the Bank and in-line with the regulatory prescriptions. The Domestic and International Operations are apprising the liquidity position to the Asset Liability Management Committee (ALCO) of the Bank. The ALCO has been empowered by the Bank's Board to formulate the Bank's funding strategies to ensure that the funding sources are well diversified and is consistent with the operational requirements of the Bank. All the major decisions of ALCO are being reported to the Bank's Board subsequently. In addition to monthly NSFR reporting, Bank also computes Liquidity Coverage Ratio and prepares Structural Liquidity Statements on a daily basis to assess the liquidity needs of the Bank. Retail deposits constitute major portion of total funding sources, which are well diversified. Management is of the view that the Bank has sufficient liquidity cushion to meet its likely future commitments.

ii. Consolidated Net Stable Funding Ratio

The RBI guidelines stipulated the implementation of NSFR at a consolidated level from December 2021 quarter and accordingly, NSFR has been computed at Group level.

The entities covered in the Group NSFR are SBI and seven Overseas Banking Subsidiaries. Commercial Indo Bank LLC, Moscow, Nepal SBI Bank Ltd., State Bank of India (California) Ltd, SBI Canada Bank, State Bank of India (Mauritius) Ltd, Bank SBI Indonesia and SBI(UK) Ltd.

SBI Group NSFR comes to 118.51% as on 31st March 2022 which is above the minimum regulatory requirement of 100%.

Available stable funding (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The Required stable funding (RSF) of a specific group is a function of the liquidity characteristics and residual maturities of the various assets held by that group as well as those of its Off-Balance Sheet (OBS) exposures.

(₹ in crore)

NET STABLE FUNDING RATIO

STATE BANK OF INDIA GROUP

	Statement for the Quarter Ending	31st March 2022				
		Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item						
1	**Capital: (2+3)**	**6,635**	**-**	**-**	**3,79,507**	**3,86,142**
2	Regulatory capital	6,635	-	-	3,73,153	3,79,788
3	Other capital instruments	-	-	-	6,354	6,354
4	**Retail deposits and deposits from small business customers: (5+6)**	**13,46,773**	**5,02,664**	**4,77,824**	**4,42,070**	**25,35,002**
5	Stable deposits	4,05,981	1,62,966	1,60,670	1,22,468	8,09,481
6	Less stable deposits	9,40,792	3,39,697	3,17,154	3,19,603	17,25,521
7	**Wholesale funding: (8+9)**	**2,62,924**	**3,63,436**	**2,16,679**	**3,21,659**	**7,14,269**
8	Less stable non-maturity deposits and term deposits with residual maturity of less than one year provided by retail and small business customers	-	-	-	-	-
9	Other wholesale funding	2,62,924	3,63,436	2,16,679	3,21,659	7,14,269
10	**Other liabilities: (11+12)**	**8,62,915**	**1,13,639**	**40,700**	**19,370**	-
11	NSFR derivative liabilities	67	-	-	-	-
12	All other liabilities and equity not included in the above categories	8,62,847	1,13,639	40,700	19,370	-
13	**Total ASF (1+4+7+10)**	**24,79,248**	**9,79,739**	**7,35,203**	**11,62,606**	**36,35,413**
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)	3,616	1,522	671	2,748	72,858
15	Deposits held at other financial institutions for operational purposes	23,024	51,633	662	3,270	39,294
16	**Performing loans and securities: (17+18+19+21+23)**	**6,233**	**6,17,584**	**3,16,722**	**7,64,940**	**9,64,637**
17	Performing loans to financial institutions secured by Level 1 HQLA	-	482	-	-	48
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	96,753	-	-	14,513
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	-	5,20,349	3,16,722	3,57,699	6,51,032
20	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	3,57,645	2,32,469
21	Performing residential mortgages, of which:	-	-	-	2,81,748	1,87,078
22	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	2,77,726	1,84,463
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	6,233	-	-	1,25,492	1,11,966
24	**Other assets: (sum of rows 25 to 29)**	**9,76,145**	**89,766**	**2,943**	**11,08,236**	**19,65,295**
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	-	1,042
27	NSFR derivative assets	20	4,647	-	-	4,667
28	NSFR derivative liabilities before deduction of variation margin posted	1	1,814	1,454	928	4,196
29	All other assets not included in the above categories	9,76,125	83,304	1,489	11,07,308	19,55,390
30	**Off-balance sheet items**	**-**	**6,95,109**	**-**	**-**	**25,601**
31	**Total RSF (14+15+16+24+30)**	**-**	**-**	**-**	**-**	**30,67,686**
32	**Net Stable Funding Ratio (%)**					**118.51%**

In accordance with RBI guidelines vide circular No. RBI/2017-18/178, DBR.BP.BC.No.106/21.04.098/2017-18 dated 17-May-2018, the quarter end observations are presented.

18.3. Investments

a. Composition of investment portfolio:

Current Year

(₹ in crore)

Composition of Investments	Investments In India							Investments outside India				Whole Bank
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries &/or Joint Ventures	Others	Total investments in India	Government Securities (including Local Authorities)	Subsidiaries &/or Joint Ventures	Others	Total investments outside India	Total Investments
Held to Maturity												
Gross	8,33,382.82	-	8.00	33,741.28	6,205.26	1,490.06	8,74,827.42	794.14	5,028.44	133.94	5,956.52	8,80,783.94
Less: Provision for non-performing investments (NPI)	-	-	8.00	-	2.87	-	10.87	-	-	-	-	10.87
Net	**8,33,382.82**	**-**	**-**	**33741.28**	**6,202.39**	**1,490.06**	**8,74,816.55**	**794.14**	**5,028.44**	**133.94**	**5,956.52**	**8,80,773.07**
Available for Sale												
Gross	3,29,274.86	-	13,770.82	1,84,479.80	7,810.00	29,951.22	5,65,286.72	18,967.40	-	28,613.65	47,581.06	6,12,867.75
Less: Provision for depreciation and NPI	-	-	1,356.19	2,416.66	-	7,859.04	11,631.89	32.61	-	65.58	98.19	11,730.08
Net	**3,29,274.86**	**-**	**12,414.63**	**1,82,063.14**	**7,810.00**	**22,092.19**	**5,53,654.81**	**18,934.79**	**-**	**28,548.07**	**47,482.86**	**6,01,137.67**
Held for Trading												
Gross	@-475.04	-	9.77	-	-	-	-465.27	-	-	-	-	-465.27
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	**-475.04**	**-**	**9.77**	**-**	**-**	**-**	**-465.27**	**-**	**-**	**-**	**-**	**-465.27**
Total Investments												
Gross	11,62,182.64	-	13,788.59	2,18,221.08	14,015.26	31,441.28	14,39,648.85	19,761.54	5,028.44	28,747.59	53,537.57	14,93,186.42
Less: Provision for non-performing investments (NPI) *	-	-	1,197.31	879.00	-	-	2,076.31	-	-	56.34	56.34	2,132.65
Less: Provision for depreciation	-	-	166.88	1,537.66	2.87	7,859.04	9,566.45	32.61	-	9.24	41.85	9,608.30
Net	**11,62,182.64**	**-**	**12,424.40**	**2,15,804.42**	**14,012.39**	**23,582.24**	**14,28,006.09**	**19,728.93**	**5,028.44**	**28,682.01**	**53,439.38**	**14,81,445.47**

* includes LICRA; @ Short sale

Previous Year

(₹ in crore)

Composition of Investments	Investments In India							Investments outside India				Whole Bank
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries &/or Joint Ventures	Others	Total investments in India	Government Securities (including Local Authorities)	Subsidiaries &/or Joint Ventures	Others	Total investments outside India	Total Investments
Held to Maturity												
Gross	7,62,084.20	-	8.00	33,209.70	5,668.04	929.11	8,01,899.06	643.79	4,768.16	133.93	5,545.88	8,07,444.93
Less: Provision for non-performing investments (NPI)	-	-	8.00	-	2.87	-	10.87	-	-	-	-	10.87
Net	**7,62,084.20**	**-**	**-**	**33,209.70**	**5,665.17**	**929.11**	**8,01,888.19**	**643.79**	**4,768.16**	**133.93**	**5,545.88**	**8,07,434.06**
Available for Sale												
Gross	2,93,106.80	-	9,531.98	1,79,762.47	7,810.00	22,046.33	5,12,257.58	17,316.05	-	24,599.48	41,915.53	5,54,173.11
Less: Provision for depreciation and NPI	-	-	1,717.70	4,083.56	-	4,335.10	10,136.37	13.50	-	16.84	30.34	10,166.71
Net	**293,106.80**	**-**	**7,814.28**	**1,76,158.31**	**7,810.00**	**17,711.22**	**5,02,121.21**	**17,302.55**	**-**	**24,582.64**	**41,885.19**	**5,44,006.40**
Held for Trading												
Gross	97.89	-	169.54	-	-	-	267.43	-	-	-	-	267.43
Less: Provision for depreciation and NPI	0.25	-	2.44	-	-	-	2.69	-	-	-	-	2.69
Net	**97.64**	**-**	**167.10**	**-**	**-**	**-**	**264.74**	**-**	**-**	**-**	**-**	**264.74**
Total Investments												
Gross	10,55,288.89	-	9,709.52	2,12,972.17	13,478.04	22,975.44	13,14,424.06	17,959.84	4,768.16	24,733.41	47,461.41	13,61,885.47
Less: Provision for non-performing investments (NPI)*	-	-	1,502.24	3,604.16	-	-	5,106.40	13.50	-	16.84	30.34	5,136.74
Less: Provision for depreciation *	0.25	-	225.90	479.40	2.87	4,335.11	5,043.53	-	-	-	-	5,043.53
Net	**10,55,288.64**	**-**	**7,981.38**	**2,08,888.61**	**13,475.17**	**18,640.33**	**13,04,274.13**	**17,946.34**	**4,768.16**	**24,716.57**	**47,431.07**	**13,51,705.20**

*(includes LICRA)

Securities of a face value of ₹ 2,14,612.86 crore (Previous Year ₹ 2,00,812.86 crore) are kept as margin with Clearing Corporation of India Limited (CCIL)/NSCCL/MCX/ NSEIL/BSE towards Securities Settlement.

i. During the year, the Bank infused additional capital in:

- Jio Payments Bank Ltd (jointly controlled entity) ₹ 9.48 crore.

  (There is no change in SBI's stake after capital infusion.)

- Bank SBI Indonesia PT (Foreign Banking Subsidiary) ₹ 341.26 crore

  (Bank's stake has increased from 99.00% to 99.34%)

ii. In accordance with DFS notification DO. No. 3/9/2020-RRB dated February 21, 2022, Bank has infused additional capital in following RRBs. There is no change in Bank's stake after capital infusion.

Arunachal Pradesh Rural Bank (₹ 0.46 crore),

Madhyanchal Gramin Bank (₹ 198.59 crore),

Nagaland Rural Bank (₹ 2.36 crore),

Uttarakhand Gramin Bank (₹ 38.84 crore)

iii. Bank has also infused its share of additional capital in following 4 RRBs on 10.03.2022 which is now held under Share Application Money A/c:

Ellaquai Dehati Bank (₹ 34.92 crore),

Jharkand Rajya Gramin Bank (₹1.59 crore),

Mizoram Rural Bank (₹ 11.82 crore),

Utkal Gramin Bank (₹ 239.16 crore).

b. Movement of provisions for Depreciation on Investments and Investment Fluctuation Reserve

i. Movement in provisions held towards depreciation on investments

(₹ in crore)

	Particulars	Current Year	Previous Year
a)	Balance at the beginning of the year	9,198.25	9,580.95
b)	Add: Provisions made during the year	3,440.10	3,759.46
c)	Less: Provision utilised during the year	-	9.29
d)	Add: Foreign Exchange revaluation adjustment	2.00	17.06
e)	Less: Write off/Write back of excess provision during the year.	1,815.13	4,149.93
f)	Balance at the end of the year	10,825.22	9,198.25

ii. Movement of Investment Fluctuation Reserve

(₹ in crore)

	Particulars	Current Year	Previous Year
a)	Opening Balance	3,048.08	1,119.88
	Add: Amount transferred during the year	4,647.87	1,928.20
	Less: Drawdown	--	--
	Closing balance	7,695.95	3,048.08
iii.	Closing balance of investments in AFS and HFT category	6,00,672.40	5,44,271.14
iv.	Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	1.28%	0.56%

Vide Circular No: RBI/2017-2018/147 DBR.No.BP.BC.102/21.04.048 dated April 2, 2018 RBI advised the Banks to create an Investment Fluctuation Reserve (IFR) with effect from the year 2018-19, to reach a level of 2 per cent of their AFS and HFT portfolio within a period of three years where feasible, to build up adequate reserves to protect against increase in yields in future. Bank has devised the roadmap to create investment fluctuation Reserve at prescribed level by FY 2023-24

c. Sales and Transfers Of Securities To/From HTM Category

The value of sales and transfers of securities to/from HTM Category has not exceeded 5% of the book value of investment held in HTM category at the beginning of the year.

d. Non-SLR Investment Portfolio

i. Non Performing Non-SLR Investments

(₹ in crore)

Particulars	Current Year	Previous Year
Opening Balance	5,229.52	8,995.80
Additions during the year	185.95	446.39
Reductions during the year	3,138.76	4,212.67
Closing balance	2,276.71	5,229.52
Total provisions held	**2,070.06**	**5,031.49**

ii. Issuer composition of Non SLR Investments

The issuer composition of non-SLR investments of the Bank is given below:

(₹ in crore)

Sr. No.	Issuer	Amount		Extent of Private Placement		Extent of "Below Investment Grade" Securities*		Extent of "Unrated" Securities*		Extent of "Unlisted" Securities*	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
i	PSUs	49,804.97	67,194.64	33,542.80	49,960.71	-	-	-	-	-	-
ii	FIs	1,41,044.49	1,28,609.88	82,006.85	99,053.50	345.07	2,753.21	-	-	70.00	70.00
iii	Banks	21,850.25	17,146.96	12,503.45	8,084.82	2,173.31	3,294.33	23.62	23.62	23.62	23.62
iv	Private Corporates	68,269.59	46,428.01	29,575.24	23,395.02	589.73	817.77	207.93	-	707.93	-
v	Subsidiaries / Joint Ventures **	19,043.70	18,246.20	-	-	-	-	-	-	-	-
vi	Others	30,990.78	28,970.89	2,638.17	2,223.99	5,072.38	2,845.99	17.31	33.03	-	6.65
vii	Less: Provision held towards depreciation including LICRA	11,740.95	10,180.02	-	-	--	0.45	56.34	-	56.34	-
	Total	**3,19,262.83**	**2,96,416.56**	**1,60,266.51**	**1,82,718.04**	**8,180.49**	**9,710.85**	**192.52**	**56.65**	**745.21**	**100.27**

* Investments in Equity, Equity Oriented Mutual Funds, Venture Capital, Rated Assets Backed Securities, Central and State Government Securities and ARCIL are not segregated under these categories as these are exempt from rating/listing guidelines.

** Investments in Subsidiaries/Joint Ventures have not been segregated into various categories as these are not covered under relevant RBI Guidelines.

e. Repo Transactions including Liquidity Adjustment Facility (LAF) (in face value terms)

The details of securities sold and purchased under repos and reverse repos including LAF during the year are given below:

Current Year

(₹ in crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31st March 2022
Securities sold under Repo				
i. Government Securities	30,025.27	2,73,518.11	1,62,561.94	1,68,483.03
ii. Corporate Debt Securities	4,377.46	8,663.34	5,824.90	8,663.34
iii. Any other Securities	-	-	-	-
Securities purchased under Reverse Repo				
i. Government Securities	44.03	1,89,095.58	1,00,304.84	60,888.22
ii. Corporate Debt Securities	-	-	-	-
iii. Any other Securities	-	-	-	-

Previous Year

(₹ in crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31st March 2021
Securities sold under Repo				
i. Government Securities	26,187.27	2,17,557.59	81,383.31	1,76,756.95
ii. Corporate Debt Securities	7,154.09	9,332.03	8,989.67	7,154.09
iii. Any other Securities	-	-	-	-
Securities purchased under Reverse Repo				
i. Government Securities	-	2,40,000.00	1,03,424.17	46,179.93
ii. Corporate Debt Securities	-	5,597.89	737.93	-
iii. Any other Securities	-	-	-	-

18.4. Asset Quality

a. Classification of Advances and provisions held

Current Year

(₹ in crore)

	Standard Advances	Sub-Standard Advances	Doubtful Advances	Loss Advances	Total Non-Performing Advances	Total
Gross Standard Advances and NPAs						
A. Opening Balance	24,13,004.26	19,590.89	81,767.26	25,030.87	1,26,389.02	25,39,393.28
B. Add: Additions during the year					25,021.23	3,18,664.51
C. Less: Reductions during the year *					39,386.88	39,386.88
Closing balance (A+B-C)	**27,06,647.54**	**15,453.17**	**68,592.40**	**27,977.80**	**1,12,023.37**	**28,18,670.91**

(₹ in crore)

	Standard Advances	Sub-Standard Advances	Doubtful Advances	Loss Advances	Total Non-Performing Advances	Total
* Reduction in Gross NPAs due to:						
i) Upgradation					9,377.57	9,377.57
ii) Recoveries (excluding recoveries from upgraded accounts)					10,343.09	10,343.09
iii) Technical/Prudential Write Offs					-	-
iv) Write-offs other than those under (iii) above					19,666.22	19,666.22
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	15,293.98	5,758.39	58,598.43	25,030.87	89,387.69	104,681.67
Add: Fresh provisions made during the year					14,142.96	18,821.58
Less: Excess provision reversed/ Write-off loans					19,664.60	19,664.60
Closing balance of provisions held	**19,972.61**	**4,486.76**	**51,401.48**	**27,977.80**	**83,866.05**	**103,838.65**
Net NPAs						
Opening Balance*		13,832.50	22,977.22	-	36,809.72	
Add: Fresh additions during the year					10,878.27	
Less: Reductions during the year					19,722.28	
Closing Balance		**10,966.41**	**16,999.30**	**-**	**27,965.71**	

*Floating provision of ₹191.61 crore is netted to arrive at net NPA.

Previous Year

(₹ in crore)

	Standard Advances	Sub-Standard Advances	Doubtful Advances	Loss Advances	Total Non-Performing Advances	Total
Gross Standard Advances and NPAs						
A. Opening Balance	22,73,752.92	35,834.91	88,616.13	24,640.81	1,49,091.85	24,22,844.77
B. Add: Additions during the year					28,563.45	1,67,814.80
C. Less: Reductions during the year *					51,266.28	51,266.28
Closing balance (A+B-C)	**24,13,004.26**	**19,590.89**	**81,767.26**	**25,030.87**	**1,26,389.02**	**25,39,393.28**
Reduction in Gross NPAs due to:						
i) Upgradation					4,250.89	4,250.89
ii) Recoveries (excluding recoveries from upgraded accounts)					12,613.19	12,613.19
iii) Technical/Prudential Write Offs					-	-
iv) Write-offs other than those under (iii) above					34,402.20	34,402.20
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	11,544.24	7,889.78	64,498.35	24,640.81	97,028.94	1,08,573.18
Add: Fresh provisions made during the year					27,269.95	31,019.69
Less: Excess provision reversed/ Write-off loans					34,911.20	34,911.20
Closing balance of provisions held	**15,293.98**	**5,758.39**	**58,598.43**	**25,030.87**	**89,387.69**	**1,04,681.67**
Net NPAs						
Opening Balance*		27,945.13	24,117.78	-	51,871.30	
Add: Fresh additions during the year					1,293.50	
Less: Reductions during the year					16,355.08	
Closing Balance		**13,832.50**	**22,977.22**	**-**	**36,809.72**	

*Floating provision of ₹ 191.61 crore is netted to arrive at net NPA.

Floating Provisions:

(₹ in crore)

Particulars	Current Year	Previous Year
Opening Balance	193.75	193.75
Add: Additional provisions made during the year	-	-
Less: Amount drawn down during the year	-	-
Closing balance of floating provisions	193.75	193.75

Technical write-offs and the recoveries made thereon:

(₹ in crore)

Particulars	Current Year	Previous Year
Opening balance of Technical/ Prudential written-off accounts	-	-
Add: Technical/ Prudential write-offs during the year	-	-
Less: Recoveries made from previously technical/ prudential written-off accounts during the year	-	-
Closing balance	-	-

Asset Quality Ratios:

Particulars	Current Year	Previous Year
Gross NPA to Gross Advances	3.97%	4.98%
Net NPA to Net Advances	1.02%	1.50%
Provision Coverage Ratio (PCR) including AUCA	90.20%	87.75%
Provision Coverage Ratio (PCR) excluding AUCA	75.04%	70.88%

b. Sector-wise Advances

(₹ in crore)

Sr. No.	Sector	Current Year			Previous year		
		Outstanding Total Advances	GrossNPAs	% of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
A	**Priority Sector**						
1	Agriculture & allied activities	2,26,323.87	30,281.87	13.38	2,12,818.77	32,392.47	15.22
2	Industry Sector Eligible as Propriety Sector Lending	1,28,015.22	10,832.34	8.46	92,993.76	11,206.95	12.05
3	Services	1,53,385.75	9,989.11	6.51	1,22,088.06	10,198.53	8.35
4	Personal Loans	1,87,896.41	2,158.71	1.15	1,71,541.16	2,352.84	1.37
	Sub-total (A)	**6,95,621.25**	**53,262.03**	**7.66**	**5,99,441.75**	**56,150.79**	**9.37**
B	**Non-Priority Sector**						
1	Agriculture & allied activities	2,350.56	197.83	8.42	1,562.08	205.85	13.18
2	Industry	6,93,310.91	40,015.00	5.77	6,78,089.82	47,770.41	7.04
3	Services	6,10,645.37	13,279.56	2.17	5,60,186.39	17,636.56	3.15
4	Personal Loans	8,16,742.82	5,268.95	0.65	7,00,113.23	4,625.41	0.66
	Sub-total (B)	**21,23,049.66**	**58,761.34**	**2.77**	**19,39,951.52**	**70,238.23**	**3.62**
C	**Total (A+B)**	**28,18,670.91**	**1,12,023.37**	**3.97**	**25,39,393.27**	**1,26,389.02**	**4.98**

c. Overseas Assets, NPAs and Revenue

(₹ in crore)

Particulars		Current Year	Previous Year
1	Total Assets	5,31,255.45	4,77,577.94
2	Total NPAs (Gross)	2,264.82	2,426.10
3	Total Revenue	9,279.41	9,918.98

d. Resolution plan and restructuring:

i. Restructuring of advances in terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019

Asset Classification of advances subject to Resolution Plan & restructuring	Current Financial Year		Previous Financial Year	
	Number of Borrower	Amount outstanding (₹ in crore)	Number of Borrower	Amount outstanding (₹ in crore)
Standard	2,224	1,237	4,667	1,780
Sub Standard	207	71	317	339
Doubtful	2,084	4,549	745	4097
Total	**4,515**	**5,857**	**5,729**	**6,216**

ii. Acquisition of shares due to conversion of debt to equity during the restructuring process:

Equity shares acquired by way of conversion of debt to equity during the restructuring process did not exceed the prescribed regulatory ceilings/ restriction on capital market exposure, investment in para banking activities & intra group exposure.

iii. MSME Restructuring:

As per RBI circular no. DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019. the details of restructured MSME accounts is as below:-

Particulars	Current Year	Previous Year
No. of accounts restructured	96,464	93,573
Aggregate outstanding (₹ in crore)	8,877.10	6,035.93

e. Divergence in asset classification and provisioning:

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2021, based on the conditions mentioned in RBI circular No. DBR.BP.BC. No.32/21.04.018/2018-19 dated 1st April, 2019.

f. Disclosure of Transfer of Loan Accounts (SMAs & NPAs) in terms of RBI Circular No. DOR.STR.REC.51/21.04.048/2021-22 dated 24th September 2021

i) The details of the Non-Performing Assets transferred during the year ended March 31, 2022 is given in the table below

Sr	Particulars	To ARCs	To permitted transferees	To other transferees
a.	No of accounts	23	16	-
b.	Aggregate principal outstanding of loans transferred (₹ in crore)	3,239.91	497.88	-
c.	Weighted average residual tenor of the loans transferred (Years)	1.14	-	-
d.	Net book value of loans transferred (at the time of transfer) (₹ in crore)	115.27	196.61	-
e.	Aggregate consideration (₹ in crore)	1,119.14	271.30	-
f.	Additional consideration realized in respect of accounts transferred in earlier years (₹ in crore)	29.12	-	-

Excess Provision amounting to ₹ 429.92 crore (Previous year ₹ 246.67 crore) on sale of NPAs to Securitisation Company (SC) / Reconstruction Company (RC) has been accounted for in the Profit & Loss Account.

The Security Receipts are provided for and hence the book value is nil across various categories of Ratings assigned to Security Receipts by the Credit Rating Agencies as on 31.03.2022. Provision held on the security receipts as on 31st March 2022 is ₹ 7,859.04 crore.

ii) The bank has not transferred any Special Mention Account and loan not in default.

iii) The Bank has not acquired any stressed loan.

iv) The Bank has purchased homogeneous assets from NBFCs/HFCs/MFIs which are not in default under Direct Assignment Route covered under Transfer of Loan Exposure. The Bank purchased secured home loans and secured & unsecured SME and ABU loans.

Details of loans-not-in-default acquired during the year ended on 31st March 2022 through assignment are given below:

(₹ in crore)

Sr No.	Particulars	From lenders listed in Clause 3	From ARCs
i.	Aggregate amount of loans acquired:		
	Secured Loans	458.47	-
	Unsecured Loans	2,627.69	-
ii.	Weighted average residual maturity (in years)	1.50	-
iii.	Weighted average holding period by originator		-
	Secured Loans	0.50 yr	
	Unsecured Loans	0.25 yr	
iv.	Retention of beneficial economic interest by the originator		-
	Secured Loans	10.00%	
	Unsecured Loans	12.50%	
v.	Tangible security coverage	149.00% to 111.93%	-

The loans acquired are not rated as these are not corporate borrowers.

g. Fraud Reported and provision made during the year:

Particulars	Current Year	Previous Year
Number of Frauds reported	4192	5724
Amount involved in Fraud (₹ in crore)	7,100.65	10,085.92
Amount of provision made for such frauds (₹ in crore)	7,100.65	10,085.92
Amount of unamortized provision debited from 'Other Reserves' as at the end of the year (₹ in crore)	Nil	Nil

h. Resolution of COVID-19 related Stress:

The details of resolution plan as on March 31, 2022, in terms of RBI Circular DOR. No. BP.BC/3/21.04.048/2020-21 dated August 06, 2020 (Resolution Framework 1.0) and DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (Resolution Framework 2.0) are:

(₹ in crore)

Particulars Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A) amount written off during the half-year	(D) Of (A) amount paid by the borrowers during the half year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	15,541	143	0.14	182	15,498
Corporate persons	17,354	1,650	0.14	2307	15,462
of which, MSME	12,274	720	0.14	883	12,446
Others	-	-	-	-	-
Total	32,895	1,793	0.28	2,624	30,960

Includes restructuring implemented during the half year ended September 2021 under the Resolution Framework 1.0

18.5. Exposures

The Bank is lending to sectors, which are sensitive to asset price fluctuations.

a) Real Estate Sector

(₹ in crore)

Particulars		Current Year	Previous Year
I	**Direct exposure**		
	i) Residential Mortgages		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	4,59,838.80	4,06,179.32
	Of which (i) Individual housing loans up to ₹ 35 lacs (previous year ₹ 35 lac) in Metropolitan centres (Population >= 10 lacs) and ₹ 25 lacs (previous year ₹ 25 lacs) in other centres for purchase/construction of dwelling unit per family.	2,07,916.65	2,09,028.90
	ii) Commercial Real Estate		
	Lending secured by mortgages on Commercial Real Estates (office building, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development, and construction etc. Exposures would also include non-fund based (NFB) limits.	68,351.76	56,343.00
	iii) Investments in Mortgage-Backed Securities (MBS) and other securitised exposures:		
	a) Residential	-	-
	b) Commercial Real Estate	-	-
II	**Indirect Exposure**		
	Fund based and non-fund-based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	96,802.79	1,13,704.91
	Total Exposure to Real Estate Sector	**6,24,993.35**	**5,76,227.23**

b) Capital Market

(₹ in crore)

	Particulars	Current Year	Previous Year
1)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	14,566.26	7,112.65
2)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds.	131.98	66.63
3)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	-	-
4)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/convertible bonds/ convertible debentures/units of equity oriented mutual funds does not fully cover the advances.	0.38	-
5)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers.	1,569.15	725.23
6)	Loans sanctioned to corporates against the security of shares/ bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	-	-
7)	Bridge loans to companies against expected equity flows/ issues.	-	-
8)	Underwriting commitments taken up by the Banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.	-	-
9)	Financing to stockbrokers for margin trading.	-	-
10)	Exposures to Venture Capital Funds. (both registered and unregistered)	4,325.98	3,463.62
	Total Exposure to Capital Market	**20,593.75**	**11,368.13**

c) Risk Category wise Country Exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in the following table.

(₹ in crore)

Risk Category	Net Funded Exposure		Provision held	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Insignificant	1,782.72	5,586.26	Nil	Nil
Very Low	2,22,431.21	2,02,094.63	165.12	148.51
Low	27,346.84	16,539.05	Nil	Nil
Medium	29,467.82	9,767.77	Nil	Nil
High	23,470.66	26,470.88	Nil	Nil
Very High	5,402.11	8,586.29	Nil	Nil
Restricted	6,160.87	2,426.80	Nil	Nil
Total	**3,16,062.23**	**2,71,471.68**	**165.12**	**148.51**

The country exposure (net funded) of the Bank for any country does not exceed 1% of its total assets except on USA, hence provision for the country exposure on USA has been made.

d) Unsecured Advances

(₹ in crore)

Particulars		Current Year	Previous Year
a	Total Unsecured Advances of the bank	7,44,594.25	5,92,821.83
i.	Of which amount of advances outstanding against charge over intangible securities such as rights, licences, authority etc.	Nil	Nil
ii.	The estimated value of such intangible securities (as in (i) above).	Nil	Nil

e) Factoring Exposures:

The Banks factoring exposure as at 31.03.2022 is ₹ 20,136.45 crore (Previous Year: ₹ 15,113.97 crore).

f) Intra-Group Exposures:

(₹ in crore)

Particulars	Current Year	Previous Year
Total amount of intra-group exposures	24,431.05	41,268.96
Total amount of top-20 intra-group exposures	24,430.71	41,263.80
Percentage of intra-group exposures to total exposure of the bank on borrowers / customers	0.54%	1.01%
Details of breach of limits on intra-group exposures and regulatory action thereon	Nil	Nil

g) Unhedged Foreign Currency Exposure

- An amount of ₹ 145.37 crore (Previous Year ₹ 116.40 crore) was held as on 31st March 2022 towards Currency Induced Credit Risk.
- Capital allocated for Currency Induced Credit Risk amounts to ₹ 72.90 crore (Previous Year ₹ 121.71 crore).

h) Single Borrower and Group Borrower exposure limits exceeded by the Bank

The Bank has not exceeded the single borrower exposure & Group Borrower exposure prudential limits as prescribed by RBI.

18.5.1. Concentration of Deposits, Advances, Exposures & NPAs (computed as per directions of RBI)

a) Concentration of Deposits

Particulars	Current Year	Previous Year
Total Deposits of twenty largest depositors (₹ in crore)	1,61,936.62	1,36,577.00
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank	4.00%	3.71%

b) Concentration of Advances

Particulars	Current Year	Previous Year
Total Advances to twenty largest borrowers (₹ in crore)	3,46,209.56	3,15,554.46
Percentage of Advances to twenty largest borrowers to Total Gross Advances of the Bank	12.28%	12.43%

c) Concentration of Exposures

Particulars	Current Year	Previous Year
Total Exposure to twenty largest borrowers/customers (₹ in crore)	4,99,542.80	4,35,690.45
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the Bank on borrowers/customers	11.05%	10.63%

d) Concentration of NPAs

Particulars	Current Year	Previous Year
Total Exposure to top twenty largest NPA exposure to Total Gross NPAs (₹ in crore)	29,921.64	40,905.49
Percentage of exposures to the twenty largest NPA accounts to total gross NPAs	27.26%	33.00%

18.6. Derivatives

a. Forward Rate Agreements (FRA) / Interest Rate Swaps (IRS)

(₹ in crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	The notional principal of swap agreements#	5,14,809.90	2,75,128.10
ii)	Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	2,537.80	4,095.38
iii)	Collateral required by the Bank upon entering swaps	453.97	Nil
iv)	Concentration of credit risk arising from the swaps	Not significant	Not significant
v)	The fair value of the swap book	1,532.87	3,894.26

#Excludes IRS/FRA amounting to ₹ 37,265.38 crore (Previous Year ₹ 39,189.96 crore) entered with the Bank's own foreign offices.

Nature and terms of Forward Rate Agreement or Interest Rate Swaps as on 31st March, 2022 are given below:

(₹ in crore)

Instrument	Nature	Nos	Notional Principal	Benchmark	Terms
IRS	Hedging	299	48,544.51	LIBOR	Fixed Receivable Vs Floating Payable
IRS	Hedging	1	193.27	LIBOR	Fixed Payable Vs Floating Receivable
IRS	Hedging	40	1,085.65	Others	Fixed Receivable Vs Floating Payable
IRS	Hedging	14	1,735.65	LIBOR	Floating Receivable Vs Fixed Payable
IRS	Hedging	3	3,074.66	SOFR	Fixed Receivable Vs Floating Payable
IRS	Hedging	2	1,515.85	SOFR	Floating Receivable Vs Fixed Payable
IRS	Trading	117	48,405.19	LIBOR	Floating Payable Vs Fixed Receivable
IRS	Trading	87	28,814.98	LIBOR	Fixed Payable Vs Floating Receivable
IRS	Trading	33	20,577.66	LIBOR	Floating Payable Vs Floating Receivable
IRS	Trading	3557	1,50,195.38	MIBOR	Fixed Payable Vs Floating Receivable
IRS	Trading	4205	1,72,240.00	MIBOR	Floating Payable Vs Fixed Receivable
IRS	Trading	3	795.82	Others	Fixed Payable Vs Floating Receivable
IRS	Trading	12	13,630.58	Others	Floating Payable Vs Fixed Receivable
IRS	Trading	24	16,192.98	LIBOR	Fixed Receivable Vs Floating Payable
IRS	Trading	3	1,538.59	LIBOR	Fixed Receivable Vs Fixed Payable
IRS	Trading	24	6,253.97	SOFR	Fixed Receivable Vs Floating Payable
IRS	Trading	2	15.16	SOFR	Floating Receivable Vs Fixed Payable
	Total		**5,14,809.90**		

b. **Exchange Traded Interest Rate Derivatives**

(₹ in crore)

Sr. No.	Particulars	Current Year	Previous Year
1	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)		
	a. Interest Rate Futures	Nil	NIL
	b. 10 Year Government of India Securities	3988.26	6,400.38
2	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March 2022 (instrument-wise)		
	a. Interest Rate Futures	Nil	Nil
	b. 10 Year Government of India Securities	501	Nil
3	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	N.A.	N.A.
4	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)	N.A.	N.A.

c. **Risk Exposure in Derivatives**

Qualitative Risk Exposure

i) The Bank currently deals in over the counter (OTC) interest rate and currency derivatives as also in Interest Rate Futures and Exchange Traded Currency Derivatives. Interest Rate Derivatives dealt by the Bank are rupee interest rate swaps, foreign currency interest rate swaps and forward rate agreements, cap, floor and collars. Currency derivatives dealt by the Bank are currency swaps, rupee dollar options and cross-currency options. The products are offered to the Bank's customers to hedge their exposures and the Bank also enters into derivatives contracts to cover off such exposures. Derivatives are used by the Bank both for trading as well as hedging balance sheet items. The Bank also runs option position in USD/INR, which is managed through various types of loss limits and Greek limits. The Bank also deals in Non-deliverable Options and Non-deliverable Forwards as permitted by RBI.

ii) Derivative transactions carry market risk i.e. the probable loss the Bank may incur as a result of adverse movements in interest rates/exchange rates and credit risk i.e. the probable loss the Bank may incur if the counterparties fail to meet their obligations. The Bank's "Policy for Derivatives" approved by the Board prescribes the market risk parameters (Greek limits, Loss Limits, cut-loss triggers, open position limits, duration, modified duration, PV01 etc.) as well as customer eligibility criteria (credit rating, tenure of relationship, limits and customer appropriateness and suitability of policy (CAS) etc.) for entering into derivative transactions. Credit risk is controlled by entering into derivative transactions only with counterparties satisfying the criteria prescribed in the Policy. Appropriate limits are set for the counterparties taking into account their ability to honour obligations and the Bank enters into ISDA agreement with each counterparty.

iii) The Asset Liability Management Committee (ALCO) of the Bank oversees efficient management of these risks. The Bank's Market Risk Management Department (MRMD) identifies, measures, monitors market risk associated with derivative transactions, 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.

iv) The accounting policy for derivatives has been drawn-up in accordance with RBI guidelines, the details of which are presented under Schedule 17: Significant Accounting Policies (SAP).

v) Interest Rate Swaps are mainly used for hedging of the assets and liabilities.

vi) Majority of the swaps were done with First class counterparty banks.

vii) Derivative transactions comprise of swaps which are disclosed as contingent liabilities. The swaps are categorised as trading or hedging.

viii) Derivative deals are entered with only those interbank participants for whom counterparty exposure limits are sanctioned. Similarly, derivative deals entered with only those corporates for whom credit exposure limit is sanctioned. Collateral requirements for derivative transactions are laid down as a part of credit sanctions terms on a case by case basis. Such collateral requirements are determined based on usual credit appraisal process. The Bank retains the right to terminate transactions as a risk mitigation measure in certain cases.

Quantitative Risk Exposure

(₹ in crore)

Particulars			Currency Derivatives		Interest Rate Derivatives	
			Current Year	Previous Year	Current Year	Previous Year
(I)	Derivatives					
	(Notional Principal Amount)					
	(a)	For hedging	17,269.22	18,858.30@	54,974.80	54,869.19#
	(b)	For trading *	13,90,743.44	10,47,976.78	4,65,802.38	2,26,304.06
(II)	Marked to Market Positions					
	(a)	Asset (+)	9,219.37	9,451.37	2,537.80	4,095.38
	(b)	Liability (-)	9,254.89	7,574.61	2,347.92	2,926.20
(III)	Credit Exposure		47,965.29	43,234.09	7,180.48	6,868.01
(IV)	Likely impact of one percentage change in interest rate (100* PV01)					
	(a)	on hedging derivatives	17.63	0.25	1,513.11	309.95
	(b)	on trading derivatives	871.86	538.16	401.07	0.70
(V)	Maximum and Minimum of 100*PV01 observed during the year					
	(a)	on hedging – Maximum Minimum	 23.39 15.97	 22.09 8.83	 1,572.46 1,109.15	 1,526.75 1,112.88
	(b)	on trading – Maximum Minimum	 938.43 516.20	 5.47 0.85	 512.07 23.91	 1.67 0.70

@Excludes swaps amounting to ₹ 2,003.56 crore (Previous Year ₹ 2,156.47 crore) entered with the Bank's own foreign offices.

#IRS/FRA amounting to ₹ 37,265.38 crore (Previous Year ₹ 39,189.96 crore) entered with the Bank's own Foreign offices are excluded.

*Excludes Currency Derivatives of ₹ 403.87 crore (Previous Year ₹ 2,167.90 crore) and NDF ₹ 4,693.25 crore (Previous Year ₹ 296.13 crore) done with the Bank's Foreign offices.

- The outstanding notional amount of derivatives done between Global Markets Unit and International Banking Group as on 31st March, 2022 amounted to ₹ 44,366.06 crore (Previous Year ₹ 43,810.46 crore) and the derivatives done between SBI Foreign Offices as on 31st March, 2022 amounted to ₹ 34,018.38 crore (Previous Year ₹ 10,331.69 crore).
- The outstanding notional amount of interest rate derivatives which are not marked–to-market (MTM) where the underlying Assets/Liabilities are not marked to market as on 31st March, 2022 amounted to ₹ 98,921.35 crore (Previous Year ₹ 77,741.31 crore).

d. **Credit Default Swaps**

Bank did not enter in any credit default Swap.

18.7. Disclosure relating to Securitization

The bank have not securitized any standard assets.

18.8. Off-balance Sheet SPVs sponsored

The Bank had not floated any off Balance Sheet SPV.

18.9. Unclaimed Liabilities transferred to Depositor Education and Awareness Fund

(₹ in crore)

Particulars	Current Year	Previous Year
Opening balance of amounts transferred to DEA Fund	3,636.41	3,387.65
Add : Amounts transferred to DEA Fund during the year	893.35	267.30
Less : Amounts reimbursed by DEA Fund towards claims	15.89	18.54
Closing balance of amounts transferred to DEA Fund	4,513.87	3,636.41

18.10. Disclosure of complaints

a) Summary information of complaints received by the Bank from customers and from the Office of Ombudsman on complaints and grievance redressal

Sr. No		Particulars	Current year	Previous year
Complaints received by the bank from its customers				
1		Number of complaints pending at beginning of the year	1,46,280	1,76,057
2		Number of complaints received during the year	34,52,782	31,31,509
3		Number of complaints disposed during the year	34,16,850	31,61,286
	3.1	Of which, number of complaints rejected by the bank	93,618	1,20,191
4		Number of complaints pending at the end of the year	1,82,212	1,46,280
Maintainable complaints received by the bank from Office of Ombudsman				
5		Number of maintainable complaints received by the bank from Office of Ombudsman	45,693@	58,956@
	5.1	Of 5, number of complaints resolved in favour of the bank by Office of Ombudsman	35,297	54,680
	5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	8,664	12,024
	5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the bank	1	6
6		Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

@ Including complaints which were pending as at the end of the FY 2020-21 and carried over to FY 2021-22

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme.

b) Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
ATM/ Debit Card	64,100	18,83,728	4.38	65,097	30,313
INB/ MB	43,015	13,43,568	135.42	97,236	67,738
Bank Charges levied	4,016	55,280	-11.53	3,766	3,410
Operation of accounts	3,459	24,529	-24.02	8,339	3,127
Cheque Book related	660	20,432	67.98	1,694	1,056
Others	31,030	1,25,245	-80.71	6,080	683
Total	**1,46,280**	**34,52,782**	**10.26**	**1,82,212**	**1,06,327**
Previous Year					
ATM/ Debit Card	1,14,230	18,04,653	-33.25	64,100	10,946
INB/ MB	51,819	5,70,711	-9.50	43,015	22,620
Bank Charges levied	667	62,482	48.99	4,016	361
Operation of accounts	585	32,285	80.05	3,459	683
Cheque Book related	73	12,163	167.55	660	96
Others	8,683	6,49,215	54.64	31,030	350
Total	**1,76,057**	**31,31,509**	**-17.77**	**1,46,280**	**35,056**

18.11. Disclosure of penalties imposed by the Reserve Bank of India:

a) During the year ending March 31, 2022, The Reserve Bank of India (RBI) in exercise of the powers vested under the provisions of section 47A(1)(c) read with sections 46(4)(i) and 51(1) of the Banking Regulation Act, 1949 has levied following monetary penalties on the Bank:

i. ₹ 50 Lakh (Rupees Fifty Lakh only) for failure to ensure taking utmost care about data accuracy and integrity while submitting the data on large credit (through CRILC portal) to the Reserve Bank during the quarter ended on June 30, 2021.

ii. ₹ 1 crore (Rupees One Crore only) for non-compliance with the directions contained in 'Reserve Bank of India (Frauds classification and reporting by commercial banks and select FIs) directions 2016' during the quarter ended on September 30, 2021.

iii. ₹ 1 crore (Rupees One Crore only) for contravention of provision of sub section (2) of Section 19 of the Banking Regulation Act, 1949 during the quarter ended on December 31, 2021.

b) No penalty has been levied on the Bank for contravention under the provisions of Payment and Settlement Act, 2007, Government Securities Act, 2016 (for bouncing SGL).

c) There is no default in reverse repo transaction.

18.12. Other Disclosures:

a) Business Ratios

Sr. No.	Particulars	Current Year	Previous Year
i.	Interest Income as a percentage to Working Funds	6.27%	5.93%
ii.	Non-interest income as a percentage to Working Funds	0.92%	0.97%
iii.	Cost of Deposits	3.83%	4.20%
iv.	Net Interest Margin	3.12%	3.04%
v.	Operating Profit as a percentage to Working Funds	1.55%	1.60%
vi.	Return on Assets (on net-asset basis)	0.67%	0.48%
vii.	Business (Deposits plus advances) per employee (₹ in crore)	25.74	23.73
viii.	Profit per employee (₹ in thousands)	1292.72	828.35

b) Bancassurance Business:

Fees/brokerage earned in respect of the insurance broking, agency and bancassurance business

(₹ in crore)

Name of the Company	Current Year	Previous Year
SBI Life Insurance Co. Ltd.	1,567.50	1,239.75
SBI General Insurance Co. Ltd.	319.00	327.39
NTUC and Manu life Financial Limited	1.27	0.83
Tokio Marine and ACE	0.61	1.52
Unit Trust and LIC	0.01	0.22
AIA Singapore	0.04	0.06
IFAST	0.43	0.17
Aviva	0.39	-
TOTAL	**1,889.25**	**1,569.94**

c) Marketing and distribution:

The details of fees /remuneration received in respect of the marketing and distribution function (excluding bancassurance business) are as follows:

₹ in crore

Name of the Company	Current Year	Previous Year
SBI Mutual Fund	741.84	451.40
SBI Cards and Payment Services Limited	199.61	134.62
National Pension System	10.00	6.17
SBICAP Securities Ltd.	5.06	3.35
Other Mutual Funds	22.64	11.45
Others (PMS, Bonds, Corporate FDs etc.)	2.55	0.96
Total	**981.70**	**607.95**

d) Priority Sector Lending Certificate (PSLC)

The Bank has purchased the following PSLCs during the year:-

(₹ in crore)

Category	Current Year	Previous Year
PSLC Micro Enterprises	5,792.00	37,405.25
PSLC Agriculture	10,192.00	14,883.50
PSLC General	58,361.75	10,050.00
PSLC Small and Marginal Farmers	63,654.25	63,442.50
Total	**1,38,000.00**	**1,25,781.25**

The Bank did not sell any PSLC during the year ended 31st March 2022 and 31st March 2021.

e) Provisions and Contingencies

Break up of "Provisions and Contingencies" shown under head Expenditure in Profit and loss account as follows:

(₹ in crore)

Provisions debited to Profit & Loss Acccount	Current Year	Previous Year
Provision for Taxation		
- Current Tax	11,427.30	10,760.88
- Deferred Tax	318.57	(-)3,630.23
- Write Back/Additional Provision of Income Tax	-	-
Provision for Depreciation on Investments	3,440.10	3,014.50
Provision on Non-Performing Assets	14,142.96	27,269.95
Provision on Restructured Assets	(-)56.11	(-) 25.60
Provision on Standard Assets	4,677.04	3,789.78
Other Provisions	2,248.14	9,964.40
Total	**36,198.00**	**51,143.68**

f) Implementation of IFRS converged Indian Accounting Standards (Ind AS)

RBI vide Circular DBR.BP.BC.No.29/21.07.001/2018-19 dated March 22, 2019 deferred implementation of Ind AS till further notice. However, RBI requires all banks to submit Proforma Ind AS financial statements every half year. Accordingly, the Bank is preparing and submitting to RBI Proforma Ind AS financial statements every half year after approval of Steering Committee headed by MD (R,C & SARG) formed for monitoring of implementation of Ind AS in the Bank.

g) Payment of DICGC Insurance Premium

(₹ in crore)

Particulars	Current Year	Previous Year
Payment of DICGC Insurance Premium	4,006.14	3,573.92
Arrears in payment of DICGC premium	-	-

h) Disclosure on amortization of expenditure on account of enhancement in family pension of employees of bank

Pursuant to the revision in family pension payable to employees of the Bank covered under 11th Bi-Partite settlement and Joint Note dated November 11, 2020, the Bank had provided for the entire additional liability of ₹ 7,418.39 crore in the Profit and Loss Account for the year ended 31st March 2022. The same had been disclosed as an exceptional item.

There is no unamortized expenditure in the Balance Sheet on account of Family Pension Scheme.

18.13. Disclosure Requirements as per the Accounting Standards

a. Accounting Standard 5: Net Profit or Loss for the period, Prior Period Items, and Changes in Accounting Policies

- During the year, there were no material prior period income / expenditure items.
- There is no change in the Significant Accounting Policies adopted during the Financial Year 2021-2022 as compared to those followed in the previous Financial Year 2020-2021.

b. Accounting Standard – 15 "Employee Benefits"

i. Defined Benefit Plans

1. Employee's Pension Plan and Gratuity Plan

The following table sets out the status of the Defined Benefit Pension Plan and Gratuity Plan as per the actuarial valuation by the independent Actuary appointed by the Bank: -

(₹ in crore)

Particulars	Pension Plan		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Change in the present value of the defined benefit obligation				
Opening defined benefit obligation	1,25,806.37	1,09,830.37	13,447.17	12,852.56
Current Service Cost	914.92	970.09	466.44	440.06
Interest Cost	8,680.64	7,501.41	917.10	879.12
Past Service Cost (Vested Benefit)	11,124.14	-	-	-
Actuarial (Gains)/ Losses	9,789.06	15,822.32	42.20	1,185.34
Benefits paid	(4,926.71)	(3,475.67)	(2,158.69)	(1,909.91)
Direct Payment by Bank	(5,263.43)	(4,842.15)	-	-
Closing defined benefit obligation at 31st March 2022	1,46,124.99	1,25,806.37	12,714.22	13,447.17
Change in Plan Assets				
Opening fair value of Plan Assets as at 1st April 2021	1,06,445.86	97,458.52	10,950.23	10,570.95
Expected Return on Plan Assets	7,344.76	6,656.42	746.81	723.05
Contributions by employer	22,163.77	2,100.68	1,463.56	1,234.77
Expected Contributions by the employees	-	-	-	-
Benefits Paid	(4,926.71)	(3,475.67)	(2,158.69)	(1,909.91)
Actuarial Gains / (Loss) on plan Assets – Due to Experience	(436.95)	3,705.91	(76.85)	331.37
Closing fair value of plan assets as at 31st March 2022	1,30,590.73	1,06,445.86	10,925.06	10,950.23
Reconciliation of present value of the obligation and fair value of the plan assets				
Present Value of Funded obligation at 31st March 2022	1,46,124.99	1,25,806.37	12,714.22	13,447.17
Fair Value of Plan assets at 31st March 2022	1,30,590.73	1,06,445.86	10,925.06	10,950.23
Deficit/(Surplus)	15,534.26	19,360.51	1,789.16	2,496.94
Unrecognised Past Service Cost (Vested) Closing Balance	-	-	-	-
Unrecognised Transitional Liability Closing Balance	-	-	-	-
Net Liability/(Asset)	15,534.26	19,360.51	1,789.16	2,496.94

Particulars	Pension Plan		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Amount Recognised in the Balance Sheet				
Liabilities	1,46,124.99	1,25,806.37	12,714.22	13,447.17
Assets	1,30,590.73	1,06,445.86	10,925.06	10,950.23
Net Liability / (Asset) recognised in Balance Sheet	15,534.26	19,360.51	1,789.16	2,496.94
Unrecognised Past Service Cost (Vested) Closing Balance	-	-	-	-
Unrecognised Transitional Liability Closing Balance	-	-	-	-
Net Liability/(Asset)	15,534.26	19,360.51	1,789.16	2,496.94
Net Cost recognised in the profit and loss account				
Current Service Cost	914.92	970.09	466.44	440.06
Interest Cost	8,680.64	7,501.41	917.10	879.12
Expected return on plan assets	(7,344.76)	(6,656.42)	(746.81)	(723.05)
Expected Contributions by the employees	-	-	-	-
Past Service Cost (Amortised) Recognised	-	-	-	-
Past Service Cost (Vested Benefit) Recognised	11,124.14	-	-	-
Net actuarial losses/ (Gain) recognised during the year	10,226.01	12,116.41	119.05	853.97
Total costs of defined benefit plans included in Schedule 16 "Payments to and provisions for employees"	23,600.95	13,931.49	755.78	1,450.10
Reconciliation of expected return and actual return on Plan Assets				
Expected Return on Plan Assets	7,344.76	6,656.42	746.81	723.05
Actuarial Gain/ (loss) on Plan Assets– Due to Experience	(436.95)	3,705.91	(76.85)	331.37
Actual Return on Plan Assets	6,907.81	10,362.33	669.96	1,054.42
Reconciliation of opening and closing net liability/ (asset) recognised in Balance Sheet				
Opening Net Liability/ (Asset) as at 1st April 2021	19,360.51	12,371.85	2,496.94	2,281.61
Expenses as recognised in Profit and Loss account	23,600.95	13,931.49	755.78	1,450.10
Paid by Bank Directly	(5,263.43)	(4,842.15)	-	-
Debited to Other Provision	-	-	-	-
Recognised in Reserve	-	-	-	-
Employer's Contribution	(22,163.77)	(2,100.68)	(1,463.56)	(1,234.77)
Net liability/(Asset) recognised in Balance Sheet	15,534.26	19,360.51	1,789.16	2,496.94

Plan Assets of Pension Fund & Gratuity Fund as on 31st March 2022 are as follows:

Category of Assets	Pension Fund	Gratuity Fund
	% of Plan Assets	% of Plan Assets
Central Govt. Securities	19.72%	19.23%
State Govt. Securities	34.84%	37.02%
Debt Securities, Money Market Securities and Bank Deposits	31.50%	30.46%
ETF and Mutual Funds	10.26%	10.23%
Insurer Managed Funds	1.31%	1.42%
Others	2.37%	1.64%
Total	**100.00%**	**100.00%**

Principal actuarial assumptions

Particulars	Pension Plans	
	Current year	Previous year
Discount Rate	7.35%	6.90%
Expected Rate of return on Plan Asset	7.35%	6.90%
Salary Escalation Rate	5.80%	5.60%
Pension Escalation Rate	1.60%	1.20%
Attrition Rate	2.00%	2.00%
Mortality Table During Employment	IALM 2012-14 (Urban)	IALM (2006-08) Ultimate
Mortality Table After Employment	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate

Principal actuarial assumptions

Particulars	Gratuity Plans	
	Current year	Previous year
Discount Rate	7.27%	6.82%
Expected Rate of return on Plan Asset	7.27%	6.82%
Salary Escalation Rate	5.80%	5.60%
Attrition Rate	2.00%	2.00%
Mortality Table	IALM 2012-14 (Urban)	IALM (2006-08) Ultimate

Surplus/ Deficit in the Plan

Gratuity Plan

(₹ in crore)

Amount recognized in the Balance Sheet	Year ended 31-03-2018	Year ended 31-03-2019	Year ended 31-03-2020	Year ended 31-03-2021	Year ended 31-03-2022
Liability at the end of the year	12,872.60	12,189.05	12,852.56	13,447.17	12,714.22
Fair value of Plan Assets at the end of the year	9,140.76	10,326.00	10,570.95	10,950.23	10,925.06
Difference	3,731.84	1,863.05	2,281.61	2,496.94	1,789.16
Unrecognised Past Service Cost	2,707.50	-	-	-	-
Unrecognised Transition Liability	-	-	-	-	-
Amount Recognized in the Balance Sheet	1,024.34	1,863.05	2,281.61	2,496.94	1,789.16

Experience adjustment

(₹ in crore)

Amount recognized in the Balance Sheet	Year ended 31-03-2018	Year ended 31-03-2019	Year ended 31-03-2020	Year ended 31-03-2021	Year ended 31-03-2022
On Plan Liability (Gain) /Loss	399.62	(212.11)	382.17	1,053.04	366.15
On Plan Asset (Loss) /Gain	(25.96)	102.16	249.84	331.37	(76.85)

Surplus/Deficit in the plan

Pension

(₹ in crore)

Amount recognized in the Balance Sheet	Year ended 31-03-2018	Year ended 31-03-2019	Year ended 31-03-2020	Year ended 31-03-2021	Year ended 31-03-2022
Liability at the end of the year	87,786.56	95,362.15	1,09,830.37	1,25,806.37	1,46,124.99
Fair value of Plan Assets at the end of the year	85,249.60	90,399.61	97,458.52	1,06,445.86	1,30,590.73
Difference	2,536.96	4,962.54	12,371.85	19,360.51	15,534.26
Unrecognised Past Service Cost	-	-	-	-	-
Unrecognised Transition Liability	-	-	-	-	-
Amount Recognized in the Balance Sheet	2,536.96	4,962.54	12,371.85	19,360.51	15,534.26

Experience adjustment

(₹ in crore)

Amount recognized in the Balance Sheet	Year ended 31-03-2018	Year ended 31-03-2019	Year ended 31-03-2020	Year ended 31-03-2021	Year ended 31-03-2022
On Plan Liability (Gain) /Loss	4,439.54	3,642.57	4,078.53	12,528.38	4,162.26
On Plan Asset (Loss) /Gain	(135.07)	109.65	1,550.28	3,705.91	(436.95)

The expected contribution to the Pension and Gratuity Fund for the next year is ₹ 3,150.25 crore and ₹ 1,741.66 crore respectively.

As the plan assets are marked to market on the basis of the yield curve derived from government securities, the expected rate of return has been kept the same as the discount rate.

The estimates of future salary growth, factored in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Such estimates are very long term and are not based on limited past experience / immediate future. Empirical evidence also suggests that in very long term, consistent high salary growth rates are not possible. The said estimates and assumptions have been relied upon by the auditors.

With a view to further strengthen the Pension Fund, it was decided to upwardly revise some of the assumptions.

ii. **Employees' Provident Fund**

Actuarial valuation carried out in respect of interest shortfall in the Provident Fund Trust of the Bank, as per Deterministic Approach shows "Nil" liability, hence no provision is made in FY 2021-22.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuary appointed by the Bank: -

(₹ in crore)

Particulars	Provident Fund	
	Current Year	Previous Year
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation at 1st April 2021	35,289.14	31,188.49
Current Service Cost	1,493.06	3,289.62
Interest Cost	2,917.84	2,563.49
Employee Contribution (including VPF)	1,958.76	2,562.41
Actuarial losses/(gains)	150.44	63.43
Benefits paid	(5,079.24)	(4,378.30)
Closing defined benefit obligation at 31st March 2022	36,730.00	35,289.14
Change in Plan Assets		
Opening fair value of Plan Assets as at 1st April 2021	36,365.80	32,104.22
Expected Return on Plan Assets	2,917.84	2,563.49
Contributions	3,451.82	5,852.03
Provision for loss on maturity of non-performing investment	-	(60.59)
Benefits Paid	(5,079.24)	(4,378.30)
Actuarial Gains / (Loss) on plan Assets	(23.37)	284.95
Closing fair value of plan assets as at 31st March 2022	37,632.85	36,365.80
Reconciliation of present value of the obligation and fair value of the plan assets		
Present Value of Funded obligation at 31st March 2022	36,730.00	35,289.14
Fair Value of Plan assets at 31st March 2022	37,632.85	36,365.80
Deficit/(Surplus)	(902.85)	(1,076.66)
Net Asset not recognized in Balance Sheet	902.85	1,076.66
Net Cost recognized in the profit and loss account		
Current Service Cost	1,493.06	3,289.62
Interest Cost	2,917.84	2,563.49
Expected return on plan assets	(2,917.84)	(2,563.49)
Interest shortfall reversed	-	-
Total costs of defined benefit plans included in Schedule 16 "Payments to and provisions for employees"	1,493.06	3,289.62
Reconciliation of opening and closing net liability/ (asset) recognized in Balance Sheet		
Opening Net Liability as at 1st April 2021	-	-
Expense as above	1,493.06	3,289.62
Employer's Contribution	(1,493.06)	(3,289.62)
Net Liability/(Asset) Recognized in the Balance Sheet	-	-

Plan Assets of Provident Fund as on 31st March 2022 are as follows:

Category of Assets	Provident Fund
	% of Plan Assets
Central Govt. Securities	32.74%
State Govt. Securities	29.31%
Debt Securities, Money Market Securities and Bank Deposits	30.35%
Mutual Funds	5.83%
Others	1.77%
Total	**100.00%**

Principal actuarial assumptions

Particulars	Provident Fund	
	Current year	Previous year
Discount Rate	7.27%	6.82%
Guaranteed Return	8.50%	8.50%
Attrition Rate	2.00%	2.00%
Salary Escalation Rate	5.80%	5.60%
Mortality Table	IALM 2012-14 (Urban)	IALM (2006-08) Ultimate

There is a guaranteed return applicable to liability under SBI Employees Provident Fund which shall not be lower of either:

(a) one half percent above the average standard rate (adjusted up or down to the interest one quarter per cent) quoted by the bank for new deposits fixed for twelve months in the preceding year (ending on the preceding the 31st day of March); or

(b) three percent per annum, subject to approval of Executive Committee.

ii. **Defined Contribution Plan:**

The Bank has a Defined Contribution Pension Scheme (DCPS) applicable to all categories of officers and employees joining the Bank on or after August 1, 2010. The Scheme is managed by NPS Trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depository Limited has been appointed as the Central Record Keeping Agency for the NPS. During F.Y. 2021-22, the Bank has contributed ₹ 1,177.54 crore (Previous Year ₹ 648.17 crore).

iii. **Long Term Employee Benefits (Unfunded Obligation):**

(A) Accumulating Compensated Absences (Privilege Leave)

The following table sets out the status of Accumulating Compensated Absences (Privilege Leave) as per the actuarial valuation by the independent Actuary appointed by the Bank: -

(₹ in crore)

Particulars	Accumulating Compensated Absences (Privilege Leave)	
	Current year	Previous year
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation at 1st April 2021	8,182.24	7,533.04
Current Service Cost	456.87	311.06
Interest Cost	558.03	515.26
Actuarial losses/(gains)	2,567.32	1,221.15
Benefits paid	(1,392.09)	(1,398.27)
Closing defined benefit obligation at 31st March 2022	10,372.37	8,182.24

(₹ in crore)

Particulars	Accumulating Compensated Absences (Privilege Leave)	
	Current year	Previous year
Net Cost recognised in the profit and loss account		
Current Service Cost	456.87	311.06
Interest Cost	558.03	515.26
Actuarial (Gain)/ Losses	2,567.32	1,221.15
Total costs of defined benefit plans included in Schedule 16 "Payments to and provisions for employees"	3,582.22	2,047.47
Reconciliation of opening and closing net liability/ (asset) recognised in Balance Sheet		
Opening Net Liability as at 1st April 2021	8,182.24	7,533.04
Expense as above	3,582.22	2,047.47
Employer's Contribution	-	-
Benefit paid directly by the Employer	(1,392.09)	(1,398.27)
Net Liability/(Asset) Recognized in the Balance Sheet	10,372.37	8,182.24

Principal actuarial assumptions

Particulars	Current year	Previous year
Discount Rate	7.27%	6.82%
Salary Escalation Rate	5.80%	5.60%
Attrition Rate	2.00%	2.00%
Mortality Table	IALM 2012-14 (Urban)	IALM (2006-08) Ultimate

(B) Other Long-Term Employee Benefits

Amount of ₹ 115.51 crore (Previous Year ₹ 32.29 crore) is provided as per the actuarial valuation by the independent Actuary appointed by the Bank towards Other Long-Term Employee Benefits viz. Leave Travel and Home Travel Concession (Encashment / Availment), Silver Jubilee Award, Resettlement Expenses on Superannuation and Retirement Award and is included under the head "Payments to and Provisions for Employees" in Profit and Loss Account.

Principal actuarial assumptions

Particulars	Current year	Previous year
Discount Rate	7.27%	6.82%
Salary Escalation Rate	5.80%	5.60%
Attrition Rate	2.00%	2.00%
Mortality Table	IALM 2012-14 (Urban)	IALM (2006-08) ULTIMATE

c. Accounting Standard – 17 "Segment Reporting"

1. Segment Identification

I. Primary (Business Segment)

The following are the primary segments of the Bank:-

- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business.

The present accounting and information system of the Bank does not support capturing and extraction of the data in respect of the above segments separately. However, based on the present internal, organisational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

i. Treasury

The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.

ii. Corporate / Wholesale Banking

The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts Group, Commercial Clients Group and Stressed Assets Resolution Group. These include providing loans and transaction services to corporate and institutional clients and further include non-treasury operations of foreign offices.

iii. Retail Banking

The Retail Banking Segment comprises of retail branches, which primarily includes Personal Banking activities including lending activities to corporate customers having banking relations with these branches. This segment also includes agency business and ATMs.

iv. Other Banking business

Segments not classified under (i) to (iii) above are classified under this primary segment.

II. Secondary (Geographical Segment)

i) Domestic Operations - Branches/Offices having operations in India

ii) Foreign Operations - Branches/Offices having operations outside India and offshore Banking units having operations in India

III. Pricing of Inter-segmental Transfers

The Retail Banking segment is the primary resource mobilising unit. The Corporate/Wholesale Banking and Treasury segments are recipient of funds from Retail Banking. Market related Funds Transfer Pricing (MRFTP) is followed under which a separate unit called Funding Centre has been created. The Funding Centre notionally buys funds that the business units raise in the form of deposits or borrowings and notionally sell funds to business units engaged in creating assets.

IV. Allocation of Expenses, Assets and Liabilities

Expenses incurred at Corporate Centre establishments directly attributable either to Corporate / Wholesale and Retail Banking Operations or to Treasury Operations segment, are allocated accordingly. Expenses not directly attributable are allocated on the basis of the ratio of number of employees in each segment/ratio of directly attributable expenses.

The Bank has certain common assets and liabilities, which cannot be attributed to any segment, and the same are treated as unallocated.

2. Segment Information

Part A: Primary (Business Segments)

(₹ in crore)

Business Segment	Treasury	Corporate / Wholesale Banking	Retail Banking	Other Banking Operations	Total
Revenue (before exceptional items) #	1,00,000.05	74,379.36	1,38,504.95	-	3,12,884.36
	(91,916.79)	(81,782.12)	(1,31,783.02)	(-)	(3,05,481.93)
Unallocated Revenue #					3,136.84
					(1,625.34)
Total Revenue #					3,16,021.20
					(3,07,107.27)
Result (before exceptional items) #	13,654.90	26,959.15	12,541.38	-	53,155.43
	(15,561.38)	(5,149.19)	(9,448.38)	(-)	(30,158.95)
Add: Exceptional Items #					(-) 7,418.39
					(1,539.73)
Result (after exceptional items) #					45,737.04
					(31,698.68)
Unallocated Income(+) / Expenses(-) - net #					(-) 2,315.19
					(-4,157.56)
Profit before tax #					43,421.85
					(27,541.12)
Tax #					11,745.87
					(7,130.65)
Extraordinary Profit #					Nil
					Nil
Net Profit #					31,675.98
					(20,410.47)
Other Information:					
Segment Assets *	16,13,186.75	13,02,237.02	20,21,244.45	-	49,36,668.22
	(14,53,111.55)	(11,97,649.91)	(18,15,024.48)	(-)	(44,65,785.94)
Unallocated Assets *					50,929.19
					(68,643.69)
Total Assets*					49,87,597.41
					(45,34,429.63)
Segment Liabilities *	14,68,058.66	12,74,940.11	18,48,288.43	-	45,91,287.20
	(13,26,432.08)	(11,68,462.70)	(16,82,902.21)	(-)	(41,77,796.99)
Unallocated Liabilities*					1,16,222.15
					(1,02,757.46)
Total Liabilities *					47,07,509.35
					(42,80,554.45)

(Figures in brackets are for previous year).

Part B: Secondary (Geographic Segments)

(₹ in crore)

	Domestic		Foreign		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue (before exceptional items) #	3,06,741.79	2,97,188.29	9,279.41	9,918.98	3,16,021.20	3,07,107.27
Net Profit#	27,905.87	17,236.17	3,770.11	3,174.30	31,675.98	20,410.47
Assets *	44,56,341.96	40,56,851.69	5,31,255.45	4,77,577.94	49,87,597.41	45,34,429.63
Liabilities*	41,76,253.90	38,02,976.51	5,31,255.45	4,77,577.94	47,07,509.35	42,80,554.44

For the year ended 31st March, 2022.
* As at 31st March, 2022.

d. Accounting Standard – 18 "Related Party Disclosures"

1. Related Parties

A. SUBSIDIARIES

i. FOREIGN BANKING SUBSIDIARIES

1. Commercial Indo Bank LLC, Moscow
2. SBI Canada Bank
3. State Bank of India (California)
4. State Bank of India (UK) Limited
5. SBI (Mauritius) Ltd.
6. PT Bank SBI Indonesia
7. Nepal SBI Bank Ltd.
8. Bank SBI Botswana Limited (upto 07.09.2021)

ii. DOMESTIC NON-BANKING SUBSIDIARIES

1. SBI Life Insurance Company Ltd.
2. SBI General Insurance Company Ltd.
3. SBI Cards & Payment Services Ltd.
4. SBI Funds Management Ltd.
5. SBI Mutual Fund Trustee Co. Pvt. Ltd.
6. SBI Capital Markets Ltd.
7. SBICAP Trustee Co. Ltd.
8. SBICAP Ventures Ltd.
9. SBICAP Securities Ltd.
10. SBI Global Factors Ltd.
11. SBI - SG Global Securities Services Pvt. Ltd.
12. SBI DFHI Ltd.
13. SBI Pension Funds Pvt. Ltd.
14. SBI Payment Services Pvt. Ltd.
15. SBI Infra Management Solutions Pvt. Ltd. (under liquidation)
16. SBI Foundation

iii. FOREIGN NON-BANKING SUBSIDIARIES

1. SBI Funds Management (International) Pvt. Ltd.
2. State Bank of India Servicos Limitada.
3. Nepal SBI Merchant Banking Ltd.
4. SBICAP (Singapore) Ltd. (under liquidation)

B. JOINTLY CONTROLLED ENTITIES

1. C-Edge Technologies Ltd.
2. Jio Payments Bank Ltd.
3. SBI Macquarie Infrastructure Management Pvt. Ltd.
4. SBI Macquarie Infrastructure Trustee Pvt. Ltd.
5. Macquarie SBI Infrastructure Management Pte. Ltd.
6. Macquarie SBI Infrastructure Trustee Ltd.
7. Oman India Joint Investment Fund- Management Company Pvt. Ltd.
8. Oman India Joint Investment Fund - Trustee Company Pvt. Ltd.

C. ASSOCIATES

i. Regional Rural Banks

1. Andhra Pradesh Grameena Vikas Bank
2. Arunachal Pradesh Rural Bank
3. Chhattisgarh Rajya Gramin Bank
4. Ellaquai Dehati Bank
5. Madhyanchal Gramin Bank
6. Meghalaya Rural Bank
7. Mizoram Rural Bank
8. Nagaland Rural Bank
9. Saurashtra Gramin Bank
10. Utkal Grameen Bank
11. Uttarakhand Gramin Bank
12. Jharkhand Rajya Gramin Bank
13. Rajasthan Marudhara Gramin Bank
14. Telangana Grameena Bank

ii. Others

1. The Clearing Corporation of India Ltd.
2. Bank of Bhutan Ltd.
3. Yes Bank Ltd.
4. Investec Capital Services (India) Pvt. Ltd. (from 29.06.2021)
5. SBI Home Finance Ltd. (under liquidation)

D. Key Management Personnel of the Bank

1. Shri Dinesh Kumar Khara, Chairman
2. Shri Challa Sreenivasulu Setty, Managing Director (Retail & Digital Banking)
3. Shri Ashwani Bhatia, Managing Director (Corporate Banking & Global Markets)
4. Shri Swaminathan Janakiraman, Managing Director (Risk, Compliance & SARG)
5. Shri Ashwini Kumar Tewari, Managing Director (International Banking, Technology & Subsidiaries)

2. Parties with whom transactions were entered into during the year

No disclosure is required in respect of related parties, which are "State-controlled Enterprises" as per paragraph 9 of Accounting Standard (AS) 18. Further, in terms of paragraph 5 of AS 18, transactions in the nature of Banker-Customer relationship have not been disclosed including those with Key Management Personnel and relatives of Key Management Personnel.

3. Transactions and Balances

(₹ in crore)

Particulars	Associates/ Joint Ventures	Key Management Personnel & their relatives	Total	Associates/ Joint Ventures	Key Management Personnel & their relatives	Total
Outstanding as at		**31st March 2022**			**31st March 2021**	
Borrowings	-	-	-	-	-	-
Deposits	833.02	-	833.02	1,351.05	-	1,351.05
Other Liabilities	10.23	-	10.23	7.83	-	7.83
Balances with Banks and Money at call and short notice	0.12	-	0.12	-	-	-
Advances	856.50	-	856.50	1,434.76	-	1,434.76
Investments	10,614.81	-	10614.81	12,520.51	-	12,520.51
Other Assets	224.63	-	224.63	150.79	-	150.79
Non-fund commitments (LCs/BGs)	-	-	-	2,935.10	-	2,935.10
Maximum outstanding		**during FY 2021-22**			**during FY 2020-21**	
Borrowings	-	-	-	-	-	-
Deposits	1,351.05	-	1,351.05	1,541.27	-	1,541.27
Other Liabilities	13.78	-	13.78	7.83	-	7.83
Balances with Banks and Money at call and short notice	636.41	-	636.41	-	-	-
Advances	2,218.48	-	2218.48	17,763.35	-	17,763.35
Investments	12,520.51	-	12,520.51	12,520.51	-	12,520.51
Other Assets	372.58	-	372.58	150.79	-	150.79
Non-fund commitments (LCs/BGs)	2,935.10	-	2,935.10	2,935.10	-	2,935.10
During the year		**during FY 2021-22**			**during FY 2020-21**	
Interest Income	207.19	-	207.19	160.52	-	160.52
Interest expenditure	31.48	-	31.48	18.44	-	18.44
Income earned by way of dividend	21.23	-	21.23	22.61	-	22.61
Other Income	1.50	-	1.50	1.00	-	1.00
Other expenditure	7.14	-	7.14	-	-	-
Profit/(loss) on sale of land/ building and other assets	-	-	-	-	-	-
Management contracts	-	1.63	1.63	-	1.50	1.50

There are no materially significant related party transactions during the year.

e. **Accounting Standard – 19 "Leases"**

Premises taken on operating lease are given below:

Operating leases primarily comprise office premises and staff residences, which are renewable at the option of the Bank.

(i) Liability for Premises taken on Non-Cancellable operating lease are given below:

(₹ in crore)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Not later than 1 year	88.70	61.32
Later than 1 year and not later than 5 years	55.02	109.10
Later than 5 years	5.32	10.57
Total	**149.04**	**180.99**

(ii) Amount of lease payments recognised in the P&L Account for operating leases is ₹ 3,892.94 crore (Previous Year ₹ 3,360.58 crore).

f. **Accounting Standard - 20 "Earnings per Share"**

The Bank reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 - "Earnings per Share". "Basic Earnings per Share" is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year.

Particulars	Current Year	Previous Year
Basic and diluted		
Number of Equity Shares outstanding at the beginning of the year	892,46,11,534	892,46,11,534
Number of Equity Shares issued during the year	Nil	Nil
Number of Equity Shares outstanding at the end of the year	892,46,11,534	892,46,11,534
Weighted average number of equity shares used in computing basic earnings per share	892,46,11,534	892,46,11,534
Weighted average number of shares used in computing diluted earnings per share	892,46,11,534	892,46,11,534
Net profit / (loss) (₹ in crore)	31,675.98	20,410.47
Basic earnings per share (₹)	35.49	22.87
Diluted earnings per share (₹)	35.49	22.87
Nominal value per share (₹)	1.00	1.00

g. **Accounting Standard – 22 "Accounting for Taxes on Income"**

a. Current Tax :-

During the year, the Bank has debited to Profit & Loss Account ₹ 11,427.30 crore (Previous Year ₹ 10,760.88 crore) on account of current tax. The current tax in India has been calculated in accordance with the provisions of Income Tax Act, 1961 after taking appropriate relief for taxes paid in foreign jurisdictions.

b. Deferred Tax :-

During the year, ₹ 318.57 crore has been debited to Profit & Loss Account (Previous Year credit ₹ 3,630.23 crore) on account of deferred tax.

The Bank has a net DTA of ₹ 6,244.72 crore (Previous Year net DTA of ₹ 6,556.82 crore), which comprises of DTL of ₹ 2.56 crore (Previous Year ₹ 2.46 crore) included under 'Other Liabilities and Provisions' and Deferred Tax Assets (DTA) of ₹ 6,247.28 crore (Previous Year ₹ 6,559.28 crore) included under 'Other Assets'. The major components of DTA and DTL is given below:

(₹ in crore)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred Tax Assets (DTA)		
Provision for long term employee Benefits	6,568.86	7,918.85
Provision for advances	4,863.64	3,691.83
Provision for Other Assets/Other Liabilities	3,650.06	3,115.57
On Foreign Currency Translation Reserve	982.69	759.10
Depreciation on Fixed Assets	269.66	199.52
On account of Foreign Offices	409.56	275.67
Total	**16,744.47**	**15,960.54**
Deferred Tax Liabilities (DTL)		
Interest accrued but not due on Securities	6,546.58	5,744.73
Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961	3,950.61	3,656.53
On account of Foreign Offices	2.56	2.46
Total	**10,499.75**	**9,403.72**
Net Deferred Tax Assets/(Liabilities)	**6,244.72**	**6,556.82**

The Bank had exercised the option of lower tax rate permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 from the financial year 2019-20 onwards.

h. Accounting Standard – 27 "Financial Reporting of interests in Joint Ventures"

Investments include ₹ 107.14 crore (Previous Year ₹ 97.66 crore) representing Bank's interest in the following jointly controlled entities.

Sr. No	Name of the Company	Amount ₹ in crore	Country of Residence	Holding %
1	C - Edge Technologies Ltd.	4.90 (4.90)	India	49%
2	SBI Macquarie Infrastructure Management Pvt. Ltd.	18.57 (18.57)	India	45%
3	SBI Macquarie Infrastructure Trustee Pvt. Ltd.	0.03 (0.03)	India	45%
4	Maquarie SBI Infrastructure Management Pte. Ltd.	2.25 (2.25)	Singapore	45%
5	Macquarie SBI Infrastructure Trustee Ltd. #	- (-)	Bermuda	45%
6	Oman India Joint Investment Fund – Management Company Pvt. Ltd.	2.30 (2.30)	India	50%
7	Oman India Joint Investment Fund – Trustee Company Pvt. Ltd.	0.01 (0.01)	India	50%
8	Jio Payments Bank	79.08 (69.60)	India	30%
	Total	**107.14 (97.66)**		

Indirect holding through Maquarie SBI Infra Management Pte. Ltd., against which the company has made 100% provision on investments.

(Figures in brackets relate to previous year)

As required by AS 27, the aggregate amount of the assets, liabilities, income, expenses, contingent liabilities and commitments related to the Bank's interests in jointly controlled entities are disclosed as under:

(₹ in crore)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Liabilities		
Capital & Reserves	236.69	227.35
Deposits	5.69	5.22
Borrowings	7.48	2.92
Other Liabilities & Provisions	48.20	55.51
Total	**298.06**	**291.00**
Assets		
Cash and Balances with RBI	1.82	2.15
Balances with Banks and money at call and short notice	143.16	132.12
Investments	71.77	67.77
Advances	-	-
Fixed Assets	14.97	18.76
Other Assets	66.34	70.20
Total	**298.06**	**291.00**
Capital Commitments	-	-
Other Contingent Liabilities	1.91	2.10
Income		
Interest earned	7.41	7.98
Other income	171.75	164.29
Total	**179.16**	**172.27**
Expenditure		
Interest expended	0.11	0.04
Operating expenses	148.60	153.99
Provisions & contingencies	12.62	13.16
Total	**161.33**	**167.19**
Profit	**17.83**	**5.08**

i. Accounting Standards – 28 "Impairment of Assets"

In the opinion of the Bank's Management, there is no indication of impairment to the non-monetary assets during the year.

j. Accounting Standard – 29 "Provisions, Contingent Liabilities and Contingent Assets"

Description of Contingent liabilities:

Sr. No.	Particulars	Brief Description
1	Claims against the Bank not acknowledged as debts	The Bank is a party to various proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows. The Bank is also a party to various taxation matters in respect of which appeals are pending.
2	Liability on partly paid-up investments/ Venture Funds	This item represents amounts remaining unpaid towards liability for partly paid investments. This also includes undrawn commitments for Venture Capital Funds.
3	Liability on account of outstanding forward exchange contracts	The Bank enters into foreign exchange contracts in its normal course of business to exchange currencies at a pre-fixed price at a future date. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The notional amounts are recorded as Contingent Liabilities. With respect to the transactions entered into with its customers, the Bank generally enters into off-setting transactions in the interbank market. This results in generation of a higher number of outstanding transactions, and hence a large value of gross notional principal of the portfolio, while the net market risk is lower.
4	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial Banking activities, the Bank issues documentary credits and guarantees on behalf of its customers. Documentary credits enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payment in the event of the customer failing to fulfil its financial or performance obligations.
5	Other items for which the Bank is contingently liable	The Bank enters into currency options, forward rate agreements, currency swaps and interest rate swaps with inter-Bank participants on its own account and for customers. Currency swaps are commitments to exchange cash flows by way of interest/principal in one currency against another, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. The notional amounts that are recorded as Contingent Liabilities, are typically amounts used as a benchmark for the calculation of the interest component of the contracts. Further, these also include estimated amount of contracts remaining to be executed on capital account and not provided for, letter of comforts issued by the Bank on behalf of Associates & Subsidiaries, Bank's Liability under Depositors Education and Awareness Fund A/c and other sundry contingent liabilities.

The Contingent Liabilities mentioned above are dependent upon the outcome of Court/ arbitration/out of Court settlements, disposal of appeals, the amount being called up, terms of contractual obligations, devolvement and raising of demand by concerned parties, as the case may be.

Movement of provisions against Contingent Liabilities

The movement of provisions against contingent liabilities given in the table below:

(₹ in crore)

Particulars	Current Year	Previous Year
Opening balance	3,429.98	628.62
Additions during the year	438.42	2,981.22
Amount utilised during the year	7.40	68.45
Unused amount reversed during the year	196.82	111.41
Closing balance	**3,664.18**	**3,429.98**

18.14. Additional Disclosures

a. **Payment to Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006**

There has been no reported cases of delayed payments of the principal amount or interest due thereon to Micro, Small & Medium Enterprises.

b. **Letter of Comfort**

The Bank has given Letter of Comfort to the Governor, Bank of Indonesia for its subsidiary Bank SBI Indonesia, a foreign Subsidiary. Letter of Comfort has been given to the Minister of Finance, Ottawa, Ontario, Canada for SBI Canada Bank, a foreign Subsidiary. The consolidated amount for this letter of comfort is ₹ 1,894.81 crore (USD 250 Mio) as at 31st March, 2022. (Previous year ₹ 1,827.75 crore).

c. **Inter Office Accounts**

Inter Office Accounts between branches, controlling offices, local head offices and corporate centre establishments are being reconciled on an ongoing basis and there is no material effect is on the profit and loss account of the current year.

d. **Counter Cyclical Provisioning Buffer (CCPB)**

RBI vide Circular No. DOR.STR.REC.10/21.04.048/2021-22 dated 5th May 2021 on 'Utilisation of Floating Provisions/Counter Cyclical Provisioning Buffer' has allowed the banks, to utilise up to 100 percent of CCPB held by them as on 31st December 2020, for making specific provisions for Non-Performing Assets (NPAs) as per the policy approved by the Bank's Board of Directors.

During the year, the Bank has not utilized the CCPB for making specific provision for NPAs.

e. **Provision on accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC):**

As per RBI letter no. DBR.No.BP.15199/21.04.048/2016-17 and DBR. No. BP. 1906/21.04.048/ 2017-18 dated 23rd June 2017 and 28th August 2017 respectively, for the accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC), the bank is holding total provision of ₹ 4,740 crore (100% of total outstanding) as on 31st March, 2022 (Previous Year ₹ 4,479 crore {100% of total outstanding})

f. During the year ended March 31, 2021, the Bank had accounted for ₹ 5,353.50 crore arising out of 11th Bi-Partite Wage Settlement effective from November 01, 2017 as 'Payments to and provisions for employees' under "Schedule 16: Operating Expenses".

g. During the year ended March 31, 2021, to ease the financial stress caused by COVID-19 disruptions on borrowers and relax the repayment pressures, Hon'ble Supreme Court, vide order dated Mar 23, 2021, directed that there shall not be any charge of interest on interest /compound interest/penal interest for the period during the moratorium from March 1,2020 to August 31,2020 and such interest shall be refunded to the concerned borrowers to be given credit/adjusted in the next instalment of the loan amount. Accordingly, Bank has reversed interest income by ₹ 830 crore during the year ended March 31, 2021.

h. The COVID-19 pandemic across the globe resulted in decline in economic activities and movement in financial markets. In this situation, Bank geared up to meet the challenges and has been evaluating the situation on an ongoing basis and had proactively provided against the challenges of likely stress on the Bank's assets. Bank's management is not expecting any significant impact on Bank's liquidity or profitability. On the basis of aforementioned assessment, during the year ended March 31, 2022, the existing covid provision of ₹ 6,183 crore have been utilized towards incremental provisions against restructured assets.

i. The Central Board has declared a dividend of ₹ 7.10 per share @ 710% for the year ended March 31, 2022.

j. Previous year figures have been regrouped/reclassified, wherever necessary, to confirm to current year classification. In cases where disclosures have been made for the first time in terms of RBI guidelines / Accounting Standards, previous year's figures have not been mentioned.

State Bank of India

Cash Flow Statement for the year ended 31st March, 2022

(000s omitted)

Particulars		Year ended 31.03.2022 (FY21-22) ₹	Year ended 31.03.2021 (FY20-21) ₹
CASH FLOW FROM OPERATING ACTIVITIES:			
Net Profit / (Loss) before Taxes		43421,85,36	27541,11,61
Adjustments for:			
Depreciation on Fixed Assets		3248,58,58	3317,55,25
(Profit)/Loss on sale of Fixed Assets (Net)		16,86,60	28,58,17
(Profit)/Loss on revaluation of Investments (Net)		263,27,88	-
(Profit) on sale of Investments in Subsidiaries / Joint Ventures / Associates		-	(1539,73,30)
Loss on sale of Investments in Subsidiaries / Joint Ventures / Associates		12,92,61	-
Provision for diminution in fair value & Non Performing Assets		14086,84,54	27244,35,02
Provision on Standard Assets		4677,03,92	3789,78,38
Provision on non-performing Investments		3440,09,87	3014,49,66
Other provisions including provision for contingencies		2248,14,81	9964,40,51
Income from investment in Subsidiaries / Joint Ventures / Associates		(718,37,49)	(642,86,22)
Interest charged on Capital Instruments		5451,98,00	5782,51,98
		76149,24,68	**78500,21,06**
Adjustments for:			
Increase/(Decrease) in Deposits		370257,04,31	439656,34,53
Increase/ (Decrease) in Borrowings other than Capital Instruments		5064,98,09	92135,53,47
(Increase)/ Decrease in Investments other than investments in Subsidiaries / Joint Ventures / Associates		(132646,14,69)	(305564,41,58)
(Increase)/ Decrease in Advances		(298555,64,72)	(151452,58,06)
Increase/ (Decrease) in Other Liabilities		40375,27,17	16516,35,43
(Increase)/ Decrease in Other Assets		5583,06,80	(77531,38,47)
		66227,81,64	**92260,06,38**
Tax refund/ (Taxes paid)		(7812,36,34)	(2394,52,46)
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	**A**	**58415,45,30**	**89865,53,92**
CASH FLOW FROM INVESTING ACTIVITIES:			
Purchase of Investments in Subsidiaries / Joint Ventures / Associates		(878,47,10)	(2234,97,50)
Sale of Investments in Subsidiaries / Joint Ventures / Associates		★ 80,97,57	34,20,66
Profit on sale of Investments in Subsidiaries / Joint Ventures / Associates		-	1539,73,30
(Loss) on sale of Investments in Subsidiaries / Joint Ventures / Associates		★ (12,92,61)	-
Income from investment in Subsidiaries / Joint Ventures / Associates		718,37,49	642,86,23
(Increase) in Fixed Assets		(2715,31,18)	(3440,64,73)
Decrease in Fixed Assets		194,64,06	104,56,08
NET CASH GENERATED FROM/ (USED IN) INVESTING ACTIVITIES	**B**	**(2612,71,77)**	**(3354,25,96)**

(000s omitted)

Particulars		Year ended 31.03.2022 (FY21-22) ₹	Year ended 31.03.2021 (FY20-21) ₹
CASH FLOW FROM FINANCING ACTIVITIES:			
Issue of Capital Instruments		13974,00,00	27431,00,00
Redemption of Capital Instruments		(10293,30,00)	(16847,83,80)
Interest paid on Capital Instruments		(5288,37,02)	(4950,52,99)
Dividend paid		(3569,84,46)	-
NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES	**C**	**(5177,51,48)**	**5632,63,21**
EFFECT OF EXCHANGE FLUCTUATION ON TRANSLATION RESERVE	**D**	**888,39,12**	**(202,20,77)**
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C+D)		**51513,61,17**	**91941,70,40**
CASH AND CASH EQUIVALENTS AS AT 1ST APRIL		**343038,70,94**	**251097,00,54**
CASH AND CASH EQUIVALENTS AS AT 31ST MARCH		**394552,32,11**	**343038,70,94**
Notes: ★ The banking licence of 'Bank SBI Botswana' is surrendered on 30.06.2021. Operations of the same were closed post deregistration & the capital of ₹ 80.98 crore is repatriated at loss of ₹ 12.93 crore.			
1. Components of Cash & Cash Equivalents as at:		**31.03.2022**	**31.03.2021**
Cash & Balance with RBI		257859,20,71	213201,53,63
Balances with Banks and money at call & short notice		136693,11,40	129837,17,31
		394552,32,11	**343038,70,94**
2. Cash flow from operating activities is reported by using indirect method.			

Shri Ashwini Kumar Tewari
Managing Director
(International Banking, Technology & Subsidiaries)

Shri Swaminathan J.
Managing Director
(Risk, Compliance and SARG)

Shri Ashwani Bhatia
Managing Director
(Corporate Banking & Global Markets)

Shri Challa Sreenivasulu Setty
Managing Director
(Retail & Digital Banking)

Directors:

Shri B. Venugopal
Dr Ganesh Natarajan
Shri Mrugank M Paranjape
Shri Ketan S. Vikamsey
Shri Sanjeev Maheshwari
Shri Prafulla P. Chhajed

Shri Dinesh Kumar Khara
Chairman

Place: Mumbai
Date : 13th May, 2022

In terms of our report of even date

For Khandelwal Jain & Co.
Chartered Accountants

Shailesh Shah
Partner: M. No. 033632
Firm Regn. No. 105049W

For Shah Gupta & Co.
Chartered Accountants

Heneel K Patel
Partner: M. No. 114103
Firm Regn. No. 109574W

For Umamaheswara Rao & Co.
Chartered Accountants

L Shyama Prasad
Partner: M. No. 028224
Firm Regn. No. 004453S

For SCV & Co. LLP
Chartered Accountants

Anuj Dhingra
Partner: M. No.512535
Firm Reg.No.000235N/N500089

For ASA & Associates LLP
Chartered Accountants

Parveen Kumar
Partner: M. No. 088810
Firm Regn. No. 009571N/N500006

For Prem Gupta & Co.
Chartered Accountants

Prem Behari Gupta
Partner: M. No. 080245
Firm Regn. No. 000425N

For Guha Nandi & Co.
Chartered Accountants

Dr. B. S. Kundu
Partner: M. No. 051221
Firm Regn. No. 302039E

For M C Bhandari & Co.
Chartered Accountants

M R Jain
Partner: M. No. 050919
Firm Regn. No. 303002E

For K C Mehta & Co.
Chartered Accountants

Chirag Bakshi
Partner: M. No. 047164
Firm Regn. No. 106237W

For V Singhi & Associates
Chartered Accountants

Aniruddha Sengupta
Partner: M. No. 051371
Firm Regn. No. 311017E

For Suri & Co.
Chartered Accountants

V Natarajan
Partner: M. No. 223118
Firm Regn. No. 004283S

For Talati & Talati LLP
Chartered Accountants

Anand Sharma
Partner: M. No.129033
Firm Regn. No. 110758W/W100377

Place – Mumbai
Date – May 13, 2022

Independent Auditors' Report

To
The President of India

REPORT ON AUDIT OF THE STANDALONE FINANCIAL STATEMENTS OF STATE BANK OF INDIA

Opinion

1. We have audited the accompanying Standalone Financial Statements of State Bank of India ("the Bank") which comprise the Balance Sheet as at March 31, 2022, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and Notes to Standalone Financial Statements including Significant Accounting Policies and other explanatory information in which are included returns for the year ended on that date of:

    i. The Central offices, 17 Local Head offices, Global Market Unit, International Business Group, Corporate Accounts Group (Central), Commercial Client Group (Central), Stressed Asset Resolution Group (Central), Central Accounts Offices and 20 branches audited by us;

    ii. 8,557 Indian branches audited by respective Statutory Branch Auditors;

    iii. 34 Foreign branches audited by respective Local Auditors;

    The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India (RBI). Also incorporated in the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement are the returns from 15,977 Indian branches (including other accounting units) which have not been subjected to audit. These unaudited branches account for 17.62% of advances, 33.76% of deposits, 28.94% of interest income and 40.21% of interest expenses.

    In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Banking Regulation Act, 1949 and State Bank of India Act, 1955 in the manner so required for the Bank and are in conformity with accounting principles generally accepted in India and:

    a) the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 2022;

    b) the Profit and Loss Account, read with the notes thereon shows a true balance of profit for the year ended on that date; and

    c) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards of Auditing ("SAs") issued by the Institute of Chartered Accountants of India ("the ICAI"). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone Financial Statements, prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the ICAI, and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI") from time to time 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.

Key Audit Matters

3. Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
i.	Classification of Advances, Income Recognition, Identification of and provisioning for non-performing Advances (Refer Schedule 9 read with Note 18.4 of Schedule 18 to the financial statements). Advances include Bills purchased and discounted, Cash credits, Overdrafts, Loans repayable on demand and Term loans. These are further categorised as secured by Tangible assets (including advances against Book Debts), covered by Bank/Government Guarantees and Unsecured advances. Advances constitute 54.82 per cent of the Bank's total assets. They are, inter-alia, governed by income recognition, asset classification and provisioning (IRAC) norms and other circulars and directives issued by the RBI from time to time which provides guidelines related to classification of Advances into performing and non- performing Advances (NPA) except in case of foreign offices, classification of advances and provisioning thereof is made as per local regulations or RBI guidelines, whichever is more stringent. The Bank classifies these Advances based on IRAC norms as per its accounting policy No. 3. Identification of performing and non-performing Advances involves establishment of proper mechanism. The Bank accounts for all the transactions related to Advances in its Information Technology System (IT System) viz. Core Banking Solution (CBS) which identifies whether the advances are performing or non- performing. Further, NPA classification and calculation of provision is done through another IT System viz. Centralised Credit Data Processing (CCDP) Application Software and other processes. The carrying value of these advances (net of provisions) may be materially misstated if, either individually or in aggregate, the IRAC norms are not properly followed. Considering the nature of the transactions, regulatory requirements, existing business environment, estimation/ judgement involved in valuation of securities and calculation of provisions, it is a matter of high importance for the intended users of the Standalone Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter. Accordingly, our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances.	Our audit approach towards advances with reference to the IRAC norms and other related circulars/directives issued by the RBI and also internal policies and procedures of the Bank includes the testing of the following: a. The accuracy of the data input in the system for income recognition, classification into performing and non performing Advances and provisioning in accordance with the IRAC norms in respect of the branches allotted to us; b. Existence and effectiveness of monitoring mechanisms such as Internal Audit, Systems Audit, Credit Audit and Concurrent Audit as per the policies and procedures of the Bank; c. Examination of advances including stressed advances on a sample basis with respect to compliance with the RBI Master Circulars / Guidelines/ Judicial pronouncements; d. We have also relied on the reports of External IT System Audit experts with respect to the business logics / parameters inbuilt in CBS and CCDP for tracking, identification and stamping of NPAs and provisioning in respect thereof. e. We tested the mapping of advances in the CCDP application software and the financial statement preparation software to ensure compliance with the presentation and disclosure requirements as per the RBI Master Circulars / Guidelines. f. We have examined the efficacy of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with the observations of the various audits conducted as per the monitoring mechanism of the Bank and RBI Inspection. g. In carrying out substantive procedures at the branches allotted to us, we have examined all large advances/ stressed advances while other advances have been examined on a sample basis including review of valuation reports of independent valuers provided by the Bank's management. h. We assessed and evaluated the process of identification of NPAs and corresponding reversal of income and creation of provision; i. Reliance is also placed on Audit Reports of other Statutory Branch Auditors with whom we have also made specific communication.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matters</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>ii.</td><td>Classification and Valuation of Investments, Identification of and provisioning for Non-Performing Investments (Schedule 8 read with Note 18.3 of Schedule 18 to the financial statements).

Investments include investments made by the Bank in various Government Securities, Bonds, Debentures, Shares, Security receipts and other approved securities.

Investments constitute 29.70 per cent of the Bank's total assets. These are governed by the circulars and directives of the RBI. These directions of RBI, inter-alia, cover valuation of investments, classification of investments, identification of non-performing investments, the corresponding non-recognition of income and provision there against.

The valuation of each category (type) of the aforesaid securities is to be done as per the method prescribed in circulars and directives issued by the RBI which involves collection of data/information from various sources such as FIMMDA rates, rates quoted on BSE/NSE, financial statements of unlisted companies etc. Considering the complexities and extent of judgement involved in the valuation, volume of transactions, investments on hand and degree of regulatory focus, this has been determined as a Key Audit Matter.

Accordingly, our audit was focused on valuation of investments, classification, identification of non performing investments and provisioning related to investments.</td><td>Our audit approach towards Investments with reference to the RBI Circulars/directives included the understanding of internal controls and substantive audit procedures in relation to valuation, classification, identification of non performing investments (NPIs), provisioning/depreciation related to Investments. In particular:

a. We evaluated and understood the Bank's internal control system to comply with relevant RBI guidelines regarding valuation, classification, identification of NPIs, provisioning/depreciation related to investments;

b. We assessed and evaluated the process adopted for collection of information from various sources for determining fair value of these investments;

c. For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master Circulars and directions by re-performing valuation for each category of security. Samples were selected after ensuring that all the categories of investments (based on nature of security) were covered in the sample;

d. We assessed and evaluated the process of identification of NPIs and corresponding reversal of income and creation of provision;

e. We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with the circulars and directives of the RBI. Accordingly, we selected samples from the investments of each category and tested for NPIs as per the RBI guidelines and recomputed the provision to be maintained in accordance with the RBI Circular for those selected sample of NPIs;

f. We tested the mapping of investments between the Investment application software and the financial statement preparation software to ensure compliance with the presentation and disclosure requirements as per the aforesaid RBI Circular/directions.</td></tr>
</table>

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
iii.	Assessment of Provisions and Contingent liabilities in respect of certain litigations including Direct and Indirect Taxes, various claims filed by other parties not acknowledged as debt (Schedule 12 read with Note 18.12 (e) of Schedule 18 to the financial statements) : There is high level of judgement required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgment, past experience, and advice from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgments/ interpretation of law involved.	Our audit approach involved: a. Obtaining an understanding of internal controls relevant to the audit in order to design our audit procedures that are appropriate in the circumstances; b. Understanding the current status of the litigations/tax assessments; c. Examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up action thereon; d. Evaluating the merit of the subject matter under consideration with reference to the grounds presented therein and available independent legal / tax advice including opinion of our internal tax experts; e. Review and analysis of evaluation of the contentions of the Bank through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues; and f. Verification of disclosures related to significant litigations and taxation matters.

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

4. The Bank's Board of Directors is responsible for preparation of the Other Information. The Other Information comprises the Corporate Governance Report which we obtained at the time of issue of this report. The Other Information also includes Directors' Report including annexures in Annual Report, but does not include the Standalone Financial Statements and our Auditors' Report thereon, which is expected to be made available to us after the date of this Auditors' Report.

   Our opinion on the Standalone Financial Statements does not cover the Other Information and Pillar 3 disclosures under the Basel III Disclosure and we do not and will not express any form of assurance conclusion thereon.

   In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

   If, based on the work we have performed on the Other Information that we obtained prior to the date of this Auditors' Report, 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.

   When we read the Directors' Report, including annexures in Annual Report, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged with Governance.

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

5. The Bank's Board of Directors is responsible with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India including the Accounting Standards issued by ICAI to the extent applicable, and provisions of Section 29 of the Banking Regulation Act, 1949, the State Bank of India Act, 1955 and circulars and guidelines issued by RBI from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the above mentioned Acts for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement whether due to fraud or error and to issue an Auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

   - Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
   - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

   From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

7. We did not audit the financial statements / information of 8,591 branches included in the Standalone Financial Statements of the Bank whose financial statements/ financial information reflects total assets of ₹ 21,18,949 crores at March 31, 2022 and total revenue of ₹ 1,17,395 crores for the year ended on that date, as considered in the Standalone Financial Statements. The financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

   Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

8. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949; and these give information as required to be given by virtue of the provisions of the State Bank of India Act, 1955 and regulations there under.

Subject to the limitations of the audit indicated in paragraphs 5 to 7 above and as required by the State Bank of India Act, 1955, and subject also to the limitations of disclosure required therein and as required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:

a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;

b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and

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

d) The profit and loss account shows the true balance of profit for the year ended 31.3.2022.

9. We further report that:

a) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

b) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;

c) the reports on the accounts of the branch offices audited by branch auditors of the Bank as per the provisions of the section 29 of the Banking Regulation Act, 1949, and the State Bank of India Act, 1955 have been sent to us and have been properly dealt with by us in preparing this report; and

d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by the RBI.

10. As required by letter No. DOS.ARG.No.6270/08.91.001/2019-20 dated March 17, 2020 on "Appointment of Statutory Central Auditors (SCAs) in Public Sector Banks – Reporting obligations for SCAs from FY 2019-20", read with subsequent communication dated May 19, 2020 issued by the RBI, we further report on the matters specified in paragraph 2 of the aforesaid letter as under:

a) In our opinion, the aforesaid Standalone Financial Statements comply with the applicable Accounting Standards issued by ICAI, to the extent they are not inconsistent with the accounting policies prescribed by the RBI.

b) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Bank.

c) On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013.

d) There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.

e) Our Audit report on the adequacy and operating effectiveness of the Bank's Internal Financial Controls over Financial Reporting is given in **Annexure – A** to this report expressing an unmodified opinion on the Bank's Internal Financial Control over Financial Reporting with reference to the Standalone Financial Statements as at 31st March, 2022.

In terms of our report of even date

For Khandelwal Jain & Co.
Chartered Accountants

Shailesh Shah
Partner: M. No. 033632
Firm Regn. No. 105049W
UDIN:22033632AIXHQQ3021

For Shah Gupta & Co.
Chartered Accountants

Heneel K Patel
Partner: M. No. 114103
Firm Regn. No. 109574W
UDIN:22114103AIXKLG7230

For Umamaheswara Rao & Co.
Chartered Accountants

L Shyama Prasad
Partner: M. No. 028224
Firm Regn. No. 004453S
UDIN:22028224AIXHMB9621

For SCV & Co. LLP
Chartered Accountants

Anuj Dhingra
Partner: M. No.512535
Firm Reg.No.000235N/N500089
UDIN:22512535AIXKXX2970

For ASA & Associates LLP
Chartered Accountants

Parveen Kumar
Partner: M. No. 088810
Firm Regn. No. 009571N/N500006
UDIN:22088810AIXJER5275

For Prem Gupta & Co.
Chartered Accountants

Prem Behari Gupta
Partner: M. No. 080245
Firm Regn. No. 000425N
UDIN:22080245AIXKLC5297

For Guha Nandi & Co.
Chartered Accountants

Dr. B. S. Kundu
Partner: M. No. 051221
Firm Regn. No. 302039E
UDIN:22051221AIXPYM6914

For M C Bhandari & Co.
Chartered Accountants

M R Jain
Partner: M. No. 050919
Firm Regn. No. 303002E
UDIN:22050919AIXHIH2828

For K C Mehta & Co.
Chartered Accountants

Chirag Bakshi
Partner: M. No. 047164
Firm Regn. No. 106237W
UDIN:22047164AIXKOQ4739

For V Singhi & Associates
Chartered Accountants

Aniruddha Sengupta
Partner: M. No. 051371
Firm Regn. No. 311017E
UDIN:22051371AIXHWT8422

For Suri & Co.
Chartered Accountants

V Natarajan
Partner: M. No. 223118
Firm Regn. No. 004283S
UDIN:22223118AIXKPX8986

For Talati & Talati LLP
Chartered Accountants

Anand Sharma
Partner: M. No.129033
Firm Regn. No. 110758W/W100377
UDIN:22129033AIXMPT2135

Place – Mumbai
Date – May 13, 2022

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 11(e) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting as required by the Reserve Bank of India (the "RBI") Letter DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended) (the "RBI communication")

We have audited the internal financial controls over financial reporting of State Bank of India ("the Bank") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date which includes internal financial controls over financial reporting of the Bank's branches.

Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank 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. 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 the Bank'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 Banking Regulation Act, 1949 and the circulars and guidelines issued by the Reserve Bank of India.

Auditors' Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI") and the Standards on Auditing (SAs) issued by the ICAI, to the extent applicable to an audit of internal financial controls. 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 Over Financial Reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal financial controls 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 and the audit evidence obtained by the branch auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Bank's internal financial controls over financial reporting 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 Bank's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (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 Bank are being made only in accordance with authorizations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors referred to in the Other Matters paragraph below, the Bank has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on "the criteria for internal control over financial reporting established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI".

Other Matters

Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 730 branches is based on the corresponding reports of the respective branch auditors of those branches.

Our opinion is not modified in respect of this matter.

In terms of our report of even date

For Khandelwal Jain & Co.
Chartered Accountants

Shailesh Shah
Partner: M. No. 033632
Firm Regn. No. 105049W
UDIN:22033632AIXHQQ3021

For Shah Gupta & Co.
Chartered Accountants

Heneel K Patel
Partner: M. No. 114103
Firm Regn. No. 109574W
UDIN:22114103AIXKLG7230

For Umamaheswara Rao & Co.
Chartered Accountants

L Shyama Prasad
Partner: M. No. 028224
Firm Regn. No. 004453S
UDIN:22028224AIXHMB9621

For SCV & Co. LLP
Chartered Accountants

Anuj Dhingra
Partner: M. No.512535
Firm Reg.No.000235N/N500089
UDIN:22512535AIXKXX2970

For ASA & Associates LLP
Chartered Accountants

Parveen Kumar
Partner: M. No. 088810
Firm Regn. No. 009571N/N500006
UDIN:22088810AIXJER5275

For Prem Gupta & Co.
Chartered Accountants

Prem Behari Gupta
Partner: M. No. 080245
Firm Regn. No. 000425N
UDIN:22080245AIXKLC5297

For Guha Nandi & Co.
Chartered Accountants

Dr. B. S. Kundu
Partner: M. No. 051221
Firm Regn. No. 302039E
UDIN:22051221AIXPYM6914

For M C Bhandari & Co.
Chartered Accountants

M R Jain
Partner: M. No. 050919
Firm Regn. No. 303002E
UDIN:22050919AIXHIH2828

For K C Mehta & Co.
Chartered Accountants

Chirag Bakshi
Partner: M. No. 047164
Firm Regn. No. 106237W
UDIN:22047164AIXKOQ4739

For V Singhi & Associates
Chartered Accountants

Aniruddha Sengupta
Partner: M. No. 051371
Firm Regn. No. 311017E
UDIN:22051371AIXHWT8422

For Suri & Co.
Chartered Accountants

V Natarajan
Partner: M. No. 223118
Firm Regn. No. 004283S
UDIN:22223118AIXKPX8986

For Talati & Talati LLP
Chartered Accountants

Anand Sharma
Partner: M. No.129033
Firm Regn. No. 110758W/W100377
UDIN:22129033AIXMPT2135

Place – Mumbai
Date – May 13, 2022