State Bank of India

Consolidated 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	304695,58,39	274669,09,88
Minority Interest	2A	11207,42,28	9625,91,66
Deposits	3	4087410,60,06	3715331,24,17
Borrowings	4	449159,78,36	433796,20,81
Other Liabilities and Provisions	5	507517,67,73	411303,62,01
TOTAL		**5360883,52,94**	**4845618,54,65**
ASSETS			
Cash and Balances with Reserve Bank of India	6	258086,43,01	213498,61,59
Balances with Banks and Money at Call & Short Notice	7	140818,69,16	134208,41,98
Investments	8	1776489,89,88	1595100,26,64
Advances	9	2794076,00,18	2500598,98,67
Fixed Assets	10	39510,03,05	40166,78,82
Other Assets	11	351902,47,66	362045,46,95
TOTAL		**5360883,52,94**	**4845618,54,65**
Contingent Liabilities	12	2007232,49,00	1714239,51,59
Bills for Collection		77783,05,62	56557,64,31
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
(IB, T & S)

Shri Swaminathan J.
Managing Director
(R, C & SARG)

Shri Ashwani Bhatia
Managing Director
(CB & GM)

Shri Challa Sreenivasulu Setty
Managing Director
(R & DB)

In terms of our Report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Regn. No. 105049W

Shri Dinesh Kumar Khara
Chairman

Shri Shailesh Shah
Partner
Membership No. 033632

Place: Mumbai
Date : 13th May, 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 Equity shares of ₹ 1 /- each (Previous Year 5000,00,00,000 Equity 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	77170,11,43		70882,27,64	
	Additions during the year	9769,02,69		6287,83,79	
	Deductions during the year	-	86939,14,12	-	77170,11,43
II.	**Capital Reserves**				
	Opening Balance	15231,66,59		13766,54,18	
	Additions during the year	538,15,24		1465,12,41	
	Deductions during the year	-	15769,81,83	-	15231,66,59
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	10290,42,37		10224,02,47	
	Additions during the year	966,26,66		268,60,67	
	Deductions during the year	-	11256,69,03	202,20,77	10290,42,37
VI.	**Revenue and Other Reserves**				
	Opening Balance	57936,43,59		52481,96,28	
	Additions during the year #	2072,94,73		5499,71,21	
	Deductions during the year	136,12,42	59873,25,90	45,23,90	57936,43,59
VII.	**Revaluation Reserve**				
	Opening Balance	23577,34,78		23762,66,57	
	Additions during the year	-		-	
	Deductions during the year	199,48,07	23377,86,71	185,31,79	23577,34,78
VIII.	**Capital Reserve on Consolidation**				
	Opening Balance	203,02,24		176,58,27	
	Additions during the year	70,01,72		26,43,97	
	Deductions during the year	-	273,03,96	-	203,02,24
IX.	Balance in Profit and Loss Account		20394,35,05		8096,54,11
TOTAL			**304695,58,39**		**274669,09,88**

net of consolidation adjustments

SCHEDULE 2A - MINORITY INTEREST

(000s omitted)

	As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
Minority Interest at the beginning of the year	9625,91,66	7943,82,20
Subsequent increase/decrease during the year	1581,50,62	1682,09,46
Minority Interest on the date of balance sheet	**11207,42,28**	**9625,91,66**

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	6328,02,10	5469,19,61
(ii) From Others	273403,37,96	283808,86,05
II. Savings Bank Deposits	1539980,57,43	1397501,44,70
III. Term Deposits		
(i) From Banks	8971,36,01	5492,77,67
(ii) From Others	2258727,26,56	2023058,96,14
TOTAL	**4087410,60,06**	**3715331,24,17**
B. (i) Deposits of Branches in India	3917357,59,34	3567926,84,86
(ii) Deposits of Branches outside India	170053,00,72	147404,39,31
TOTAL	**4087410,60,06**	**3715331,24,17**

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		12601,43,98		10678,34,70
(iii) Other Institutions and Agencies		152877,62,75		159271,91,86
(iv) Capital Instruments:				
a. Innovative Perpetual Debt Instruments (IPDI)	36709,70,00		29835,70,00	
b. Subordinated Debt	36529,90,00	73239,60,00	37629,90,00	67465,60,00
TOTAL		**263674,66,73**		**262371,86,56**
II. Borrowings outside India				
(i) Borrowings and Refinance outside India		185320,49,83		169041,42,45
(ii) Capital Instruments:				
a. Innovative Perpetual Debt Instruments (IPDI)	-		2193,30,00	
b. Subordinated Debt	164,61,80	164,61,80	189,61,80	2382,91,80
TOTAL		**185485,11,63**		**171424,34,25**
GRAND TOTAL		**449159,78,36**		**433796,20,81**
Secured Borrowings included in I & II above		188360,08,98		190279,61,10

SCHEDULE 5 - OTHER LIABILITIES & PROVISIONS

(000s omitted)

		As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I.	Bills payable	33485,82,47	17728,51,70
II.	Inter Bank Adjustments (net)	37,86,55	49,69,05
III.	Inter Office adjustments (net)	2344,61,99	1,23,54
IV.	Interest accrued	17990,61,59	15309,15,71
V.	Deferred Tax Liabilities (net)	5,68,86	3,70,81
VI.	Liabilities relating to Policyholders in Insurance Business	264548,27,48	219027,87,65
VII.	Provision for Standard Assets	20592,09,08	16005,37,56
VIII.	Others (including provisions)	168512,69,71	143178,05,99
TOTAL		**507517,67,73**	**411303,62,01**

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)		21967,22,06	23691,32,43
II.	Balances with Reserve Bank of India			
	(i)	In Current Account	236119,20,95	189807,29,16
	(ii)	In Other Accounts	-	-
TOTAL			**258086,43,01**	**213498,61,59**

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	1064,57,10	1067,90,06
		(b)	In Other Deposit Accounts	3727,11,66	3160,05,92
	(ii)	Money at call and short notice			
		(a)	With banks	60938,22,08	47369,93,31
		(b)	With Other Institutions	-	-
TOTAL				**65729,90,84**	**51597,89,29**
II.	**Outside India**				
	(i)	In Current Account		62547,03,12	64287,31,27
	(ii)	In Other Deposit Accounts		3579,70,45	8587,68,13
	(iii)	Money at call and short notice		8962,04,75	9735,53,29
TOTAL				**75088,78,32**	**82610,52,69**
GRAND TOTAL (I and II)				**140818,69,16**	**134208,41,98**

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	1261071,12,87	1139960,41,91
(ii) Other Approved Securities	35365,93,17	27743,27,21
(iii) Shares	90652,83,35	68972,62,29
(iv) Debentures and Bonds	269609,83,27	253967,00,87
(v) Subsidiary and Associates #, $	14603,34,61	13209,01,04
(vi) Others (Units of Mutual Funds etc.)	47875,58,26	40219,16,31
TOTAL	**1719178,65,53**	**1544071,49,63**
II. Investments outside India in:		
(i) Government Securities (including local authorities)	24165,67,65	21697,01,67
(ii) Associates #	158,80,87	145,62,73
(iii) Other Investments (Shares, Debentures, etc.)	32986,75,83	29186,12,61
TOTAL	**57311,24,35**	**51028,77,01**
GRAND TOTAL (I and II)	**1776489,89,88**	**1595100,26,64**
III. Investments in India:		
(i) Gross Value of Investments	1731051,89,01	1554398,52,92
(ii) Less: Aggregate of Provisions / Depreciation	11873,23,48	10327,03,29
Net Investments (vide I above)	**1719178,65,53**	**1544071,49,63**
IV. Investments outside India:		
(i) Gross Value of Investments	57458,70,66	51070,30,95
(ii) Less: Aggregate of Provisions / Depreciation	147,46,31	41,53,94
Net Investments (vide II above)	**57311,24,35**	**51028,77,01**
GRAND TOTAL (III and IV)	**1776489,89,88**	**1595100,26,64**
# Investment in Associates (In India and Outside India)		
Equity Investment in Associates	10215,12,19	9669,58,12
Add : Goodwill on acquisition of Associates	25,91,12	-
Less : Capital reserve on acquisition of Associates	981,48,87	981,48,87
Less : Provision for diminution	-	-
Cost of Investment in Associates	**9259,54,44**	**8688,09,25**
Add : Post-acquisition profit/(loss) and Reserve of Associates (Equity Method)	5498,61,05	4662,54,53
TOTAL	**14758,15,49**	**13350,63,78**

$ 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	168552,97,29	96263,84,05
(ii) Cash credits, overdrafts and loans repayable on demand	740936,12,49	697691,68,91
(iii) Term Loans	1884586,90,40	1706643,45,71
TOTAL	**2794076,00,18**	**2500598,98,67**

(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 Debt ₹ 130915,53,15 thousands (Previous Year ₹ 134277,32,43 thousands)	1901776,92,33	1784402,74,29
	(ii)	Covered by Bank / Government Guarantees	114844,70,33	96691,34,81
	(iii)	Unsecured	777454,37,52	619504,89,57
TOTAL			**2794076,00,18**	**2500598,98,67**
C.	**(I)**	**Advances in India**		
		(i) Priority Sector	658546,87,83	564570,85,92
		(ii) Public Sector	167199,40,75	257246,23,86
		(iii) Banks	1536,43,37	4833,33,50
		(iv) Others	1519580,51,83	1285608,47,38
TOTAL			**2346863,23,78**	**2112258,90,66**
	(II)	**Advances outside India**		
		(i) Due from banks	119514,35,15	80143,34,26
		(ii) Due from others		
		(a) Bills purchased and discounted	35345,80,07	35004,71,22
		(b) Syndicated loans	196311,75,75	184413,38,38
		(c) Others	96040,85,43	88778,64,15
TOTAL			**447212,76,40**	**388340,08,01**
GRAND TOTAL [C (I) and C (II)]			**2794076,00,18**	**2500598,98,67**

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	31130,03,43		31094,35,54	
	Additions:				
	- during the year	226,53,68		81,64,96	
	- for Revaluation	-		-	
	Deductions				
	- during the year	4,46,02		35,43,48	
	- for Revaluation	15,50,22		10,53,59	
	Depreciation to date:				
	- on cost	1168,76,60		1043,45,83	
	- on Revaluation	1028,90,79	29138,93,48	850,52,10	29236,05,50
IA.	**Premises under construction**		252,96,55		351,83,45

(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/revaluation as at 31st March of the preceding year	38991,32,27		36021,19,34	
	Additions during the year	2952,36,16		3753,83,35	
	Deductions during the year	741,50,60		783,70,42	
	Depreciation to date	31339,27,63	9862,90,20	28686,49,53	10304,82,74
IIA.	**Leased Assets**				
	At cost/revalued as at 31st March of the preceding year	288,85,63		240,38,84	
	Additions during the year	126,36,17		74,34,19	
	Deductions during the year	17,27,78		25,87,40	
	Depreciation to date (including provisions)	170,27,88		131,13,19	
		227,66,14		**157,72,44**	
	Less : Lease Adjustment Account	-	227,66,14	-	157,72,44
TOTAL (I, IA,II and IIA)			**39482,46,37**		**40050,44,13**
III.	**Capital-Work-in progress (including Leased Assets) net of Provisions**		27,56,68		116,34,69
TOTAL (I, IA, II, IIA and III)			**39510,03,05**		**40166,78,82**

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.	Inter Bank Adjustments (net)	-	-
III.	Interest accrued	37043,85,65	32770,84,89
IV.	Tax paid in advance / tax deducted at source	22650,12,52	26435,38,67
V.	Deferred Tax Assets (net)	6745,22,82	7244,80,47
VI.	Stationery and Stamps	59,06,04	89,60,16
VII.	Non-banking assets acquired in satisfaction of claims	11,52,34	10,49,60
VIII.	Deposits placed with NABARD/SIDBI/NHB	195618,29,52	184093,45,48
IX.	Goodwill on consolidation	1550,02,47	1549,99,41
X.	Others	88224,36,30	89309,92,88
TOTAL		**351902,47,66**	**362045,46,95**

SCHEDULE 12 - CONTINGENT LIABILITIES

(000s omitted)

		As at 31.03.2022 (Current Year) ₹	As at 31.03.2021 (Previous Year) ₹
I.	Claims against the group not acknowledged as debts	86519,11,42	79862,51,29
II.	Liability for partly paid investments / Venture Funds	2773,96,99	2617,80,58
III.	Liability on account of outstanding forward exchange contracts	1213429,79,26	1029404,66,06
IV.	Guarantees given on behalf of constituents		
	(a) In India	166528,97,91	173297,71,34
	(b) Outside India	95727,54,21	72991,10,08
V.	Acceptances, endorsements and other obligations	171892,93,33	149014,00,66
VI.	Other items for which the group is contingently liable	270360,15,88	207051,71,58
TOTAL #		**2007232,49,00**	**1714239,51,59**

₹ 1,91,46 thousands (previous year ₹ 2,09,62 thousands) pertains to share in contingent liability of Joint Ventures

State Bank of India

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

(000s omitted)

	Schedule No.	Year ended 31st March 2022 (Current Year) ₹	Year ended 31st March 2021 (Previous Year) ₹
I. INCOME			
Interest earned	13	289972,68,60	278115,47,67
Other Income	14	117000,40,37	107222,41,38
TOTAL		**406973,08,97**	**385337,89,05**
II. EXPENDITURE			
Interest expended	15	156194,34,41	156010,16,71
Operating expenses	16	174363,42,58	150429,59,53
Provisions and contingencies		40059,14,84	54618,40,87
TOTAL		**370616,91,83**	**361058,17,11**
III. PROFIT			
Net Profit for the year (before adjustment for Share in Profit of Associates and Minority Interest)		36356,17,14	24279,71,94
Add: Share in Profit/(Loss) of Associates		827,01,33	(391,90,45)
Less: Minority Interest		1809,30,49	1482,35,73
Net Profit for the Group		35373,87,98	22405,45,76
Add Profit/(Loss) Brought forward		8096,54,12	(1361,74,25)
TOTAL		**43470,42,10**	**21043,71,51**
IV. APPROPRIATIONS			
Transfer to Statutory Reserve		9769,02,69	6287,83,79
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		1783,68,04	(307,48,07)
Final Dividend for the year		6336,47,42	3569,84,46
Tax on Dividend		86,64	3,65,16
Balance carried over to Balance Sheet		20394,35,05	8096,54,12
TOTAL		**43470,42,10**	**21043,71,51**
V. EARNINGS PER EQUITY SHARE (Face value ₹ 1 per share)			
Basic (in ₹)		39.64	25.11
Diluted (in ₹)		39.64	25.11
Significant Accounting Policies	17		
Notes to Accounts	18		

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

Shri Ashwini Kumar Tewari
Managing Director
(IB, T & S)

Shri Swaminathan J.
Managing Director
(R, C & SARG)

Shri Ashwani Bhatia
Managing Director
(CB & GM)

Shri Challa Sreenivasulu Setty
Managing Director
(R & DB)

In terms of our Report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Regn. No. 105049W

Shri Dinesh Kumar Khara
Chairman

Shri Shailesh Shah
Partner
Membership No. 033632

Place: Mumbai
Date : 13th May, 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	177474,83,13	176780,18,56
II.	Income on Investments	93477,89,84	87130,62,06
III.	Interest on balances with Reserve Bank of India and other inter-bank funds	4608,34,99	4541,42,58
IV.	Others	14411,60,64	9663,24,47
TOTAL		**289972,68,60**	**278115,47,67**

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	24549,32,06	23566,55,62
II.	Profit / (Loss) on sale of investments (Net)#	6375,64,61	7504,45,40
III.	Profit / (Loss) on revaluation of investments (Net)	(445,73,69)	(5,15,48)
IV.	Profit /(Loss) on sale of land, building and other assets including leased assets (net)	(16,40,47)	(28,33,64)
V.	Profit / (Loss) on exchange transactions (Net)	3530,17,97	2457,74,75
VI.	Dividends from Associates in India/ abroad	3,19,50	3,19,50
VII.	Credit Card membership/ service fees	5269,67,80	3915,36,49
VIII.	Insurance Premium Income (net)	62188,03,44	53162,60,19
IX.	Recoveries made in Write-off Accounts	8286,78,94	10700,37,34
X.	Miscellaneous Income	7259,70,21	5945,61,21
TOTAL		**117000,40,37**	**107222,41,38**

Profit/(Loss) on sale of Investments (Net) includes exceptional item of Nil (Previous year ₹ 1367,27,26 thousands)

SCHEDULE 15 - INTEREST EXPENDED

(000s omitted)

		Year ended 31.03.2022 (Current Year) ₹	Year ended 31.03.2021 (Previous Year) ₹
I.	Interest on Deposits	141765,28,30	143060,44,62
II.	Interest on Reserve Bank of India/ Inter-bank borrowings	7751,72,68	6237,20,49
III.	Others	6677,33,43	6712,51,60
TOTAL		**156194,34,41**	**156010,16,71**

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 #	61445,12,63	54330,82,58
II.	Rent, taxes and lighting	5707,73,68	5557,13,72
III.	Printing and Stationery	709,90,76	581,72,43
IV.	Advertisement and publicity	2693,92,63	2458,63,07
V.	(a) Depreciation on Fixed Assets (other than Leased Assets)	3652,67,77	3673,42,72
	(b) Depreciation on Leased Assets	38,59,23	37,63,64
VI.	Directors' fees, allowances and expenses	12,82,78	13,26,40
VII.	Auditors' fees and expenses (including branch auditors' fees and expenses)	283,56,85	285,25,22
VIII.	Law charges	448,57,06	401,91,78
IX.	Postages, Telegrams, Telephones, etc.	710,44,57	492,69,84
X.	Repairs and maintenance	1219,04,35	1116,49,53
XI.	Insurance	4799,96,54	4272,88,91
XII.	Other Operating Expenses relating to Credit Card Operations	2945,50,71	1503,01,93
XIII.	Other Operating Expenses relating to Insurance Business	69706,73,54	58397,01,70
XIV.	Other Expenditure	19988,79,48	17307,66,06
TOTAL		**174363,42,58**	**150429,59,53**

Payment to and provisions for employees includes exceptional item of ₹ 7418,39,00 thousands (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.

State Bank of India Group ('SBI Group' or 'the Group') consists of SBI, 27 Subsidiaries, 8 Joint Ventures and 18 Associates.

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

B. Basis of Preparation:

The accounting and reporting policies of the SBI Group 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, the Banking Regulations Act, 1949, Insurance Regulatory and Development Authority of India (IRDAI), Pension Fund Regulatory and Development Authority (PFRDA), SEBI (Mutual Funds) Regulations, 1996, Companies Act 2013, Accounting Standards issued by Institute of Chartered Accountants of India (ICAI) and the accounting practices prevalent in India.

In case of foreign entities, Generally Accepted Accounting Principles as applicable to the foreign entities are followed.

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

The consolidated financial statements have been prepared in accordance with guidelines issued by RBI and 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 amounts 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. Basis of Consolidation:

1. Consolidated financial statements of the SBI Group includes:
   a. Financial statements of State Bank of India (Parent).
   b. Line by line aggregation of each item of asset/ liability/income/expense of the subsidiaries with the respective item of the Parent. Elimination of all material intra-group balances/transactions and resulting unrealised gains and adjustments required for non-uniform accounting policies as per AS 21 "Consolidated Financial Statements" issued by the ICAI.
   c. Proportionate share of asset/liability/income/ expense of the joint venture entities are consolidated as per AS 27 "Financial Reporting of Interests in Joint Ventures" issued by the ICAI.
   d. Accounting for investment in 'Associates' under the 'Equity Method' as per AS 23 "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the ICAI.
2. The difference between cost to the group of its investment in the subsidiary entities and the group's portion of the equity of the subsidiaries is recognised in the financial statements as goodwill / capital reserve.
3. Minority interest in the net assets of the consolidated subsidiaries consists of:
   a. The amount of equity attributable to the minority shareholders at the date on which the investment in the equity shares of the subsidiary is made, and
   b. The minority share of movements in revenue reserves/loss (equity) since the date the parent-subsidiary relationship came into existence.

E. 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 the following:

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

   b. 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 held in the "Held to Maturity" category of the Bank and on sale of Fixed Assets held by the Bank 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 Letter 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 their realisation.

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 the 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 :

ii. 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

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

1.9 Issue management fees and advisory fees, in case of Group's merchant banking business, are recognised as per the terms of the agreement with the customer/client. The fee income is recognised only when the milestone defined in the agreement is executed/completed.

1.9.1. Fees for private placement are recognised on completion of assignments.

1.9.2. Brokerage income in relation to stock broking activity is recognized on the trade date of transaction and includes stamp duty, transaction charges and is net of incentives paid on scheme.

1.9.3. Commission relating to public issues is accounted for on finalisation of allotment of the public issue/receipt of information from intermediary.

1.9.4. Brokerage income relating to public issues/ mutual fund/other securities is accounted for based on mobilisation and intimation received from clients/intermediaries.

1.9.5. Depository income – Annual Maintenance Charges are recognised on accrual basis and transaction charges are recognised on trade date of transaction.

1.10 Management fee, in case of Group's asset management business, is recognised at specific rates agreed with the relevant schemes, applied on the average daily net assets of each scheme (excluding inter-scheme investments, wherever applicable, investments made by the company in the respective scheme and deposits with Banks), and are in conformity with the limits specified under SEBI (Mutual Funds) Regulations, 1996.

1.10.1. Portfolio Advisory Services, Portfolio Management Services and Management Fees on Alternative Investment Funds (AIF) are recognised on accrual basis as per the terms of the contract.

1.10.2. Recovery, if any, on realisation of devolved investments of schemes acquired by the company, in terms of the right of subrogation, is accounted based on receipts. Recovery from funded guarantee schemes is recognised as income in the year of receipt.

1.10.3. Expenses of schemes in excess of the stipulated rates and expenses relating to new fund offer are charged to the Profit and Loss Account in the year in which they are incurred in accordance with the requirements of SEBI (Mutual Funds) Regulations, 1996.

1.10.4. Brokerage and/or incentive paid on investments in open-ended Equity Linked Tax Saving Schemes and Systematic Investment Plans (SIPs) are amortised over a period of 36 months and in case of other schemes, over the claw back period. In case of close-ended schemes, brokerage is amortised over the tenure of schemes.

1.11 Income earned from provision of membership services, in case of Group's credit card business, is recognised as revenue over the membership period consisting of 12 months at fair value of consideration net of expected reversals / cancellations.

1.11.1.Other service revenue consists of value-add services provided to the card holders. Other service revenues are recognised in the same period in which related transactions occur or services rendered.

1.11.2.Interchange fees are collected from acquirers and paid to issuers by network partners to reimburse the issuers for portion of the costs incurred for providing services that benefit all participants in the system, including acquirers and merchants. Revenue from interchange income is recognised when related transaction occurs, or service is rendered.

1.11.3.The total unidentified receipts which could not be credited or adjusted in the customers' accounts for lack of complete & correct information is considered as liability in Balance Sheet. The estimated unidentified receipts aged more than 6 months and up to 3 years towards the written off customers is written back as income on Balance Sheet date. Further, the unresolved unidentified receipts aged more than 3 years are also written back as income on Balance Sheet date. The liability for stale cheques aged for more than three years is written back as income.

1.11.4.All other service income/fees are recorded at the time of occurrence of the respective events.

1.12 Factoring charges, in case of Group's factoring business, are accrued on factoring of debts at the applicable rates as decided by the company. Processing fees are recognised as income only when there is reasonable certainty of its receipt after execution of documents. Facility Continuation fees (FCF) are calculated and charged in the month of May for the entire next financial year on all live standard accounts. 1st of May is deemed as date for accrual of the FCF.

1.13 Premium, in case of Group's life insurance business, of non-linked business is recognised as income (net of goods and service tax) when due from policyholders. In respect of linked business, premium income is recognised when the associated units are allotted. In case of variable insurance products (VIPs), premium income is recognised on the date when the Policy Account Value is credited. Uncollected premium from lapsed policies is not recognised as income until such policies are revived.

1.13.1. Top-up premiums are considered as single premium.

1.13.2.Income from linked funds which includes fund management charges, policy administration charges, mortality charges, etc. are recovered from linked fund in accordance with terms and conditions of policy and recognised when recovered.

1.13.3.Realised gains and losses in respect of equity securities, units of mutual funds, Equity Exchange Traded funds (ETFs), Infrastructure Investment Trusts (InvITs) and Real Estate Investments Trusts (REITs) are calculated as the difference between the net sales proceeds and their cost. In respect of debt securities, the realised gains and losses are calculated as the difference between net sale proceeds or redemption proceeds and weighted average amortised cost. Cost in respect of equity shares, units of mutual fund Equity Exchange Traded funds (ETFs), Infrastructure Investment Trusts (InvITs) and Real Estate Investments Trusts (REITs) are computed using the weighted average method.

1.13.4. Fees received on lending of equity shares under Securities lending and borrowing scheme (SLB) is recognised as income over the period of the lending on straight-line basis.

1.13.5.Premium ceded on reinsurance is accounted in accordance with the terms of the re-insurance treaty or in-principle arrangement with the re-insurer.

1.13.6. Benefits paid:

- Claims cost consist of the policy benefit amounts and claims settlement costs, where applicable.
- Claims by death and rider are accounted when intimated. Intimations up to the end of the period are considered for accounting of such claims.
- Claims by maturity are accounted on the policy maturity date.
- Survival and Annuity benefits claims are accounted when due.
- Surrenders and withdrawals are accounted as and when intimated. Benefits paid also includes amount payable on lapsed policies which are accounted for as and when due. Surrenders, withdrawals and lapsation

are disclosed at net of charges recoverable.

- Repudiated claims disputed before judicial authorities are provided for based on management prudence considering the facts and evidences available in respect of such claims.
- Amounts recoverable from re-insurers are accounted for in the same period as the related claims and are reduced from claims.

1.13.7. Acquisition costs such as commission, medical fees, etc. are costs that are primarily related to the acquisition of new and renewal insurance contracts. The same are expensed in the period in which they are incurred.

1.13.8. **Liability for life policies:** The actuarial liability of all the life insurance policies has been calculated by the Appointed Actuary in accordance with the Insurance Act 1938, and as per the rules and regulations and circulars issued by IRDAI from time to time and the relevant Guidance Notes and/or Actuarial Practice Standards (APS) issued by the Institute of Actuaries of India.

1.13.9. **Funds for future appropriation**

For non-linked participating business, the balance in the funds for future appropriations account represents funds, the allocation of which, either to participating policyholders' or to shareholders', has not been determined at the Balance Sheet date. Transfers to and from the fund reflect the excess or deficit of income over expenses and appropriations in each accounting period arising in the Company's policyholders' fund. In respect of participating policies any allocation to the policyholder would also give rise to a shareholder transfer in the required proportion.

The fund for future appropriations held in the unit-linked funds, represents surplus that has arisen from lapsed policies unlikely to be revived. This surplus is required to be held within the policyholders' fund till the point at which the policyholders' can no longer revive their policy.

1.14 Premium including reinsurance accepted (net of goods & service tax) , in case of Group's general insurance business, is recognised in the books at the commencement of risk over the contract period or the period of risk, whichever is appropriate. In case the premium is recovered in instalments, amount to the extent of instalment due is recorded on the due date of the instalment. Premium (net of goods & service tax), including reinstatement premium, on direct business and reinsurance accepted, is recognized as income over the contract period or the period of risk, whichever is appropriate, on a gross basis under 1/365 method. In case of long-term motor insurance policies premium is recognised on a yearly basis as mandated by IRDAI. Any subsequent revision to premium is recognized over the remaining period of risk or contract period. Adjustments to premium income arising on cancellation of policies are recognised in the period in which they are cancelled.

1.14.1. Commission on reinsurance ceded is recognised as income in the period in which reinsurance risk is ceded. Profit commission under re-insurance treaties, wherever applicable, is recognized as income in the year of final determination of the profits as intimated by Reinsurer and combined with commission on reinsurance ceded.

Sliding scale commission under reinsurance treaties, wherever applicable, is recognised as income as per the reinsurance treaty conditions as confirmed by reinsurers and combined with commission on reinsurance ceded.

1.14.2. In respect of proportional reinsurance ceded, the cost of reinsurance ceded is accrued at the commencement of risk over the contract period or the period of risk. Non-proportional reinsurance cost is recognized when due. Non-proportional reinsurance cost is accounted as per the terms of the reinsurance arrangements. Any subsequent revision to, refunds or cancellations of premiums is recognized in the period in which they occur.

1.14.3. Reinsurance inward acceptances are accounted for on the basis of returns, to the extent received, from the insurers.

1.14.4. Acquisition costs are expensed in the period in which they are incurred. Acquisition costs are defined as costs that vary with, and are primarily related to the acquisition of new and renewal insurance contracts viz. commission. The primary test for determination as acquisition cost is the obligatory relationship between the costs and the execution of the insurance contracts (i.e. commencement of risk). In case of long-term motor insurance policies commission is expensed at the applicable rates on the premium allocated for the year as mandated by IRDAI.

1.14.5.Premium Received in Advance which represents premium received prior to the commencement of the risk is shown separately under the head "Other Liabilities and Provision" in the financial statements and is recorded as income on the date of commencement of risk.

Reserve for Unexpired risk is that part of the net premium written (i.e., premium net of reinsurance ceded) that is attributable to, and to be allocated to succeeding accounting periods on contract period basis or risk period basis, whichever is appropriate. Such reserves are calculated on a pro-rata basis under 1/365 basis, subject to minimum reserve requirements as per Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated April 4, 2016.

1.14.6.If the ultimate amount of expected net claim costs (as calculated and certified by the Actuary), related expenses and maintenance costs (related to claims handling) in respect of unexpired risks at the end of the accounting period exceeds the sum of related premium carried forward to the subsequent accounting period as the reserve for unexpired risk, the same is recognised as premium deficiency.

Premium deficiency is calculated on annual basis and at the company level.

1.14.7.Claim is recognised as and when a loss occurrence is reported. Claim is recognised by creation of provision for the amount of claim payable as estimated by the management based on available information and past experience, on receipt of claim notification. Such provision is reviewed / modified as appropriate on the basis of additional information as and when available. Amounts received/receivable from the re-insurers/co-insurers, under the terms of the reinsurance and coinsurance arrangements respectively, is recognised together with the recognition of claim. Provision for claims outstanding payable as on the date of Balance Sheet is net of reinsurance, salvage value and other recoveries as estimated by the management. Claims paid (net of recoveries including value of salvage retained by the insured and interest, if any, paid on the claims) is charged to the profit & loss account when approved for payment. Where salvage is taken over by the company, the recoveries from sale of salvage are recognised at the time of such sale.

1.14.8.Provision in respect of claim liabilities that may have been incurred before the end of the accounting year but are

- not yet reported or claimed (IBNR) or
- not enough reported i.e. reported with information insufficient for making a reasonable estimate of likely claim amount (IBNER),

The provision is made according to the amount determined by the Appointed Actuary based on actuarial principles in accordance with the Actuarial Practice Standards and Guidance Notes issued by the Institute of Actuaries of India and IRDAI regulations and guidelines.

1.15 The revenue (net of goods & service tax), in case of Group's custody & fund accounting services, is recognised only when it can be reliably measured and it is probable that the economic benefits will flow to the company. Custody fees, fund accounting fees and referral fees are accounted on accrual basis as per the agreed terms of agreement.

1.16 Management fee, in case of Group's pension fund business, is recognized at specific rates agreed with the relevant schemes, applied on daily net assets of each scheme, and is in conformity with the regulatory guidelines issued by Pension Fund Regulatory and Development Authority (PFRDA). Commission income from Point of Presence (POP) Business i.e. Account opening fees and contribution processing fees are recognized on the basis of contributions received from subscribers and generation of Permanent Retirement Account Number (PRAN). The Company presents revenues net of goods and service tax in profit and loss account.

1.17 Mutual Fund Trusteeship fee, in case of Group's trusteeship business, is recognised at specific rates agreed with relevant schemes, applied on the average daily Net Assets of each scheme (excluding inter-scheme investment, investment in fixed deposits, investments made by the Asset Management Company and deferred revenue expenses, where applicable), and is in conformity with the limits specified under SEBI (Mutual Funds) Regulations, 1996.

1.17.1. Corporate Trusteeship Acceptance fees are recognised on the acceptance or execution of trusteeship assignment whichever is earlier. Corporate Trusteeship service charges are recognised/accrued based on terms of trusteeship contracts/agreements entered into with clients.

1.17.2. Income from online "will" services is recognised when the right to receive the fee is established, as all certainty for revenue recognition is present at the time of establishment of such right.

1.18 The revenue, in case of Group's merchant acquiring business, is measured on basis of consideration received or receivable for the services provided, excluding discounts, GST and other applicable taxes and are recognised upon performance of services.

1.18.1.The revenue from deployment of POS is recognised either over the period during which the service is rendered or on basis of the number of transactions processed during the period in accordance with the rates and conditions specified in the agreements. Based on the contract terms, the merchant makes payment for merchant discount rate (MDR), monthly rental and commitment charges and the same is treated as revenue from operation.

1.18.2.Income received but not accrued on account of maintenance deployment contract are recognised as deferred revenue and included in liabilities until the revenue recognition criteria are met. Income accrued but not billed represents revenue recognised on work performed but billed in subsequent period, in accordance with terms of the contract.

1.18.3.Revenue is recognised to the extent it is probable that the economic benefits will flow, and the revenue can be reliably measured.

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) Debentures and Bonds, (v) Subsidiaries and Associates and (vi) Others. The Investments outside India are classified under three categories – (i) Government Securities, (ii) Subsidiaries and/or joint Ventures abroad and (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 classified as "Held for Trading (HFT)".

iii. Investments, which are not classified in the 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 associates 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. Cost of investment under AFS and HFT category is determined at the weighted average cost method by the group entities and cost of investments under HTM category is determined on FIFO basis (first in first out) by SBI and weighted average cost method by other group entities.

   a. Brokerage/commission received on subscriptions is reduced from the cost. Brokerage, commission, securities transaction tax, 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 constant yield basis. Such amortisation of premium is accounted as income on investments.

b. A provision is made for diminution, other than temporary, for each investment individually.

c. Investments in Regional Rural Banks (RRBs) are valued at equity cost determined in accordance with AS 23 of the ICAI.

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

Investments held under 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) Debentures & Bonds (v) Subsidiaries and Associates; 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, 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/ entities, 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 the shares of any company is valued at ₹ 1 per company on account of the 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/entities, classification and provisions for non-performing investments (NPIs) are made as per the local regulations or as per the norms of RBI, whichever is 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.

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

b. 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.

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

d. 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).

e. 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.

2.6 In case of life and general insurance subsidiaries, investments are accounted in accordance with the Insurance Act, 1938, the IRDAI (Investment) Regulations, 2016 and IRDA (Presentation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Investment policy of the company and various other circulars / notifications as issued by IRDAI from time to time.

(i) Valuation of investment pertaining to non-linked life insurance business and general insurance business: -

- All debt securities, including government securities and money market securities are stated at historical cost subject to amortisation of premium or accretion of discount.
- Listed equity shares, equity related instruments and preference shares are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, the closing price at primary exchange i.e. National Stock Exchange of India Limited ('NSE') is considered. If NSE closing price is not available, the closing price of the secondary exchange i.e. BSE Limited ('BSE') is considered.
- Unlisted equity securities, equity related instruments and preference shares are measured at historical cost.
- In case of Security Lending and Borrowing (SLB), equity shares lent are valued as per valuation policy for equity shares as mentioned above.
- Additional Tier 1 (Basel III compliant) Perpetual Bonds classified under "Equity" as specified by IRDAI, are valued at prices obtained from Credit Rating Information Services of India Limited (CRISIL).
- Investments in mutual fund units are valued at the Net Asset Value (NAV) of previous day in life insurance and of Balance Sheet date in general insurance.
- Investment in Alternative Investment Funds (AIFs) are valued at latest available NAV.
- The Investment in units of REITs/InvITs are valued at Market Value (last quoted price should not be later than 30 days). For the purpose of determining market value, the closing price at primary exchange i.e. NSE is considered. If NSE closing price is not available for any security, then BSE closing price is used for valuation. Where market quote is not available for the last 30 days, the units are valued as per the latest NAV (not more than 6 months old) of the units published by the trust.

Unrealized gains or losses arising due to change in the fair value of listed equity shares, mutual fund units, AIFs and units of REITs/InvITs pertaining to shareholders' investments and non-linked policyholders investments are taken to "Revenue & Other Reserves (Schedule 2)" and "Liabilities relating to Policyholders in Insurance Business (Schedule 5)" respectively, in the Balance Sheet.

(ii) Valuation of investment pertaining to linked business: -

- Debt Securities including Government securities with remaining maturity of more than one year are valued at prices obtained from CRISIL. Debt securities including Government securities with remaining maturity of less than one year are valued on yield to maturity basis, where yield is derived using market price provided by CRISIL on the day when security is classified as short term. If security is purchased during its short term tenor, it is valued at amortised cost using yield to maturity method. In case of securities with options, earliest Call Option/Put Option date will be taken as maturity date for this purpose. Money market securities are valued at historical cost subject to amortization of premium or accretion of discount on yield to maturity basis.

- Listed equity shares, equity related instruments and preference shares are measured at fair value on the Balance Sheet date. For the purpose of determining fair value, the closing price at primary exchange i.e. NSE is considered. If NSE closing price is not available, closing price of the BSE is considered.
- Unlisted equity shares, equity related instruments and preference shares are measured at historical cost.
- In case of Security Lending and Borrowing (SLB), equity shares lent are valued as per valuation policy for equity shares as mentioned above.
- Additional Tier 1 (Basel III compliant) Perpetual Bonds classified under "Equity" as specified by IRDAI, are valued at prices obtained from CRISIL.
- Investments in mutual fund units are valued at the previous day's Net Asset Value (NAV).
- The Investment in units of REITs / InvITs are valued at Market Value (last quoted price should not be later than 30 days). For the purpose of determining market value, the closing price at primary exchange i.e. NSE is considered. If NSE closing price is not available for any security, then BSE closing price is used for valuation. Where market quote is not available for the last 30 days, the units are valued as per the latest NAV (not more than 6 months old) of the units published by the trust.
- Unrealized gains or losses arising due to changes in the fair value are recognized in the Profit & Loss Account.

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 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 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 assets, if the bill remains overdue for a period of more than 90 days;

iv. The agricultural advances are classified as non-performing assets, 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. Upto 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/entities, 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 loan/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 Countercyclical Provisioning Buffer and Floating Provisions to be created is assessed at the end of the financial year. These provisions are utilised only for contingencies under extra ordinary circumstances specified in the policy with prior permission of Reserve Bank of India.

5. Provision for Country Exposure for Banking Entities:

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 "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/ entities are depreciated at straight line method based on useful life of the assets states as under:

Sr. No.	Description of Fixed Assets	Useful Life
1	Computers	3 Years
2	Computer Software forming an integral part of the computer hardware	3 Years
3	Computer Software which does not form an integral part of Computer hardware and cost of Software Development	3 Years
4	Automated Teller Machine/ Cash Deposit Machine/Coin Dispenser / Coin Vending Machine	5 Years
5	Servers	4 Years
6	Network Equipment	5 Years
7	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 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/ entities, 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 Wcarrying 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 a 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/Subsidiaries / Joint Ventures of the Bank and Offshore Banking Units (OBU) have been classified as Non-integral Operations and Representative Offices have been classified as Integral Operations.

a. Non-integral Operations:

i. 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.

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

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

iv. The Assets and Liabilities of foreign offices/subsidiaries /joint ventures in foreign currency (other than local currency of the foreign offices/ subsidiaries/joint ventures) are translated into local currency using spot rates applicable to that country on the Balance Sheet date.

b. Integral Operations:

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. 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.

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

SBI Life Insurance Company Limited makes contribution towards provident fund, a defined benefit retirement plan. The provident fund is administered by the trustees of the SBI Life Insurance Company Limited Employees PF Trust. The contribution paid or payable under the schemes is charged to the Profit and Loss Account during the period in which the employee renders the related service. Further, an actuarial valuation is conducted annually by an independent actuary to recognise the deficiency, if any, in the interest payable on the contributions as compared to the interest liability as per the statutory rate.

b. The group entities operate separate Gratuity schemes, which are defined benefit plans. The group entities provide 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. Vesting occurs upon completion of five years of service. SBI makes periodic contributions to a fund administered by Trustees based on an independent external actuarial valuation carried out annually.

c. SBI 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. SBI 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 SBI makes such additional contributions periodically to the Fund as may be required to secure payment of the benefits under the Pension Fund Regulations.

d. 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 and are not deferred.

ii. Defined Contribution Plans:

SBI operates a New Pension Scheme (NPS) for all officers/ employees joining SBI 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, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with SBI'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 SBI and earn interest at the same rate as that of the current account of Provident Fund balance. SBI 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 Group are eligible for compensated absences, silver jubilee award, leave travel concession, retirement award and resettlement allowance. The cost of such long-term employee benefits are internally funded by the group entities.

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 and is not deferred.

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

12. Segment Reporting

The Group 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, deferred tax and fringe benefit tax expense incurred by the Group. 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 jurisdiction. 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 judgement 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.

In Consolidated Financial Statement, income tax expenses are the aggregate of the amounts of tax expense appearing in the separate financial statements of the parent and its subsidiaries/joint ventures, as per their applicable laws.

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 (other than minority) 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 Group 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 group entities; 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 SBI 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:

SBI 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. SBI earns a fee on such bullion transactions. The fee is classified under commission income. SBI 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:

1. List of Subsidiaries/Joint Ventures/Associates considered for preparation of consolidated financial statements:

1.1 The 27 Subsidiaries, 8 Joint Ventures and 18 Associates including 14 Regional Rural Banks from/upto respective dates of merger/exit during the year (which along with State Bank of India, the parent, constitute the Group), considered in the preparation of the consolidated financial statements, are

A) Subsidiaries:

S. No.	Name of the Subsidiary	Country of incorporation	Group's Stake (%)	
			Current Year	Previous Year
1)	SBI Capital Markets Ltd.	India	100.00	100.00
2)	SBICAP Securities Ltd.	India	100.00	100.00
3)	SBICAP Trustee Company Ltd.	India	100.00	100.00
4)	SBICAP Ventures Ltd.	India	100.00	100.00
5)	SBICAP (Singapore) Ltd.	Singapore	100.00	100.00
6)	SBI DFHI Ltd.	India	72.17	72.17
7)	SBI Global Factors Ltd.	India	86.18	86.18
8)	SBI Infra Management Solutions Pvt. Ltd.	India	100.00	100.00
9)	SBI Mutual Fund Trustee Company Pvt Ltd.	India	100.00	100.00
10)	SBI Payment Services Pvt. Ltd.@	India	74.00	74.00
11)	SBI Pension Funds Pvt Ltd.	India	92.52	92.58
12)	SBI Life Insurance Company Ltd.	India	55.48	55.50
13)	SBI General Insurance Company Ltd.	India	69.96	70.00
14)	SBI Cards and Payment Services Ltd.	India	69.20	69.39
15)	SBI–SG Global Securities Services Pvt. Ltd. @	India	65.00	65.00
16)	SBI Funds Management Ltd. @	India	62.59	62.88
17)	SBI Funds Management (International) Private Ltd. @	Mauritius	62.59	62.88
18)	Commercial Indo Bank Llc , Moscow @	Russia	60.00	60.00
19)	Bank SBI Botswana Limited (upto 07.09.2021)	Botswana	100.00	100.00
20)	SBI Canada Bank	Canada	100.00	100.00
21)	State Bank of India (California)	USA	100.00	100.00
22)	State Bank of India (UK) Limited	UK	100.00	100.00
23)	State Bank of India Servicos Limitada	Brazil	100.00	100.00
24)	SBI (Mauritius) Ltd.	Mauritius	96.60	96.60
25)	PT Bank SBI Indonesia	Indonesia	99.34	99.00
26)	Nepal SBI Bank Ltd.	Nepal	55.00	55.00
27)	Nepal SBI Merchant Banking Limited	Nepal	55.00	55.00

@ Represents companies which are jointly controlled entities in terms of the shareholders' agreement. However, the same are consolidated as subsidiaries in accordance with AS 21 "Consolidated Financial Statements" as SBI's holding in these companies exceeds 50%.

B) Joint Ventures:

S. No.	Name of the Joint Venture	Country of Incorporation	Group's Stake (%)	
			Current Year	Previous Year
1)	C - Edge Technologies Ltd.	India	49.00	49.00
2)	SBI Macquarie Infrastructure Management Pvt. Ltd.	India	45.00	45.00
3)	SBI Macquarie Infrastructure Trustee Pvt. Ltd.	India	45.00	45.00
4)	Macquarie SBI Infrastructure Management Pte. Ltd.	Singapore	45.00	45.00
5)	Macquarie SBI Infrastructure Trustee Ltd.	Bermuda	45.00	45.00
6)	Oman India Joint Investment Fund – Management Company Pvt. Ltd.	India	50.00	50.00
7)	Oman India Joint Investment Fund – Trustee Company Pvt. Ltd.	India	50.00	50.00
8)	Jio Payments Bank Ltd.	India	30.00	30.00

C) Associates:

S. No.	Name of the Associate	Country of Incorporation	Group's Stake (%)	
			Current Year	Previous Year
1)	Andhra Pradesh Grameena Vikas Bank	India	35.00	35.00
2)	Arunachal Pradesh Rural Bank	India	35.00	35.00
3)	Chhattisgarh Rajya Gramin Bank	India	35.00	35.00
4)	Ellaquai Dehati Bank	India	35.00	35.00
5)	Madhyanchal Gramin Bank	India	35.00	35.00
6)	Meghalaya Rural Bank	India	35.00	35.00
7)	Mizoram Rural Bank	India	35.00	35.00
8)	Nagaland Rural Bank	India	35.00	35.00
9)	Saurashtra Gramin Bank	India	35.00	35.00
10)	Utkal Grameen Bank	India	35.00	35.00
11)	Uttarakhand Gramin Bank	India	35.00	35.00
12)	Jharkhand Rajya Gramin Bank	India	35.00	35.00
13)	Rajasthan Marudhara Gramin Bank	India	35.00	35.00
14)	Telangana Grameena Bank	India	35.00	35.00
15)	The Clearing Corporation of India Ltd.	India	20.05	20.05
16)	Yes Bank Ltd.	India	30.00	30.04
17)	Bank of Bhutan Ltd.	Bhutan	20.00	20.00
18)	Investec Capital Services (India) Private Limited	India	19.70	-

a) Pursuant to exercise of options under the approved Employee Stock Option Plan (ESOP), following group entities have issued equity shares to their eligible employees:-

i) SBI Cards and Payment Services Limited has allotted 26,47,033 equity shares of ₹ 10 each during the year ended March 31,2022. Consequently, the stake of SBI in SBI Cards and Payment Services Limited has reduced to 69.20% from 69.39%.

ii) SBI Life Insurance Company Limited has allotted 2,99,654 equity shares of ₹ 10 each during the year ended March 31,2022. Consequently, the stake of SBI in SBI Life Insurance Company Limited has reduced to 55.48% from 55.50%.

iii) SBI Funds Management Limited has allotted 23,80,464 equity shares of ₹ 1 each during the year ended March 31,2022. Consequently, the stake of SBI Group in SBI Funds Management Limited has reduced to 62.59% from 62.88%. Consequently, the stake of SBI Group in SBI Funds Management (International) Private Limited and SBI Pension Funds Private Limited has reduced to 62.59% and 92.52% from 62.88% and 92.58% respectively.

iv) SBI General Insurance Company Limited has allotted 1,16,720 equity shares of ₹ 10 each during the year ended March 31,2022. Consequently, the stake of SBI in SBI General Insurance Company Limited has reduced to 69.96% from 70.00%.

v) Yes Bank Limited has allotted 47,000 equity shares of ₹ 2 each during the year ended March 31,2022.

b) In accordance with DFS notification DO. No. 3/9/2020-RRB dated February 21, 2022, SBI has infused its share of additional capital in the following Regional Rural Banks (RRBs). There is no change in SBI's stake after capital infusion.

₹ in crore

Sr. No.	Name of RRBs	Amount infused by SBI
i.	Arunachal Pradesh Rural Bank	0.46
ii.	Ellaquai Dehati Bank	34.92
iii.	Jharkhand Rajya Gramin Bank	1.59
iv.	Madhyanchal Gramin Bank	198.59
v.	Mizoram Rural Bank	11.82
vi.	Nagaland Rural Bank	2.36
vii.	Utkal Grameen Bank	239.16
viii.	Uttarakhand Gramin Bank	38.84
	Total	**527.74**

The amount of additional capital infused by SBI in Ellaquai Dehati Bank, Jharkhand Rajya Gramin Bank, Mizoram Rural Bank and Utkal Grameen Bank is now held under Share Application Money Account.

c) During the year ended March 31, 2022, SBI has infused additional capital in the following:

i) ₹ 9.48 crore in Jio Payments Bank Ltd, a jointly controlled entity. There is no change in SBI's stake after capital infusion.

ii) ₹ 341.26 crore in PT Bank SBI Indonesia, a subsidiary. Consequently, the stake of SBI has increased from 99.00% to 99.34% in the subsidiary.

d) During the year ended March 31, 2022, SBI Capital Markets Limited, a subsidiary, has sold 94,01,256 equity shares of Yes Bank Limited, an associate, with a profit of ₹ 0.69 crore. Consequently, the stake of the Group in Yes Bank Limited has reduced from 30.04% to 30.00%.

In previous year ended March 31, 2021, SBI and its subsidiary had infused ₹ 3,176 crore in equity shares of Yes Bank Limited, an associate, through a Follow-on Public Offer. Subsequently, the subsidiary of SBI has incrementally sold a certain portion of shares of Yes Bank Limited. The Group's stake stands reduced to 30.04% as on March 31, 2021 from 48.21% as on March 31, 2020.

e) Bank SBI Botswana Limited, a wholly owned subsidiary of SBI, has surrendered its banking license with the approval of the local regulator on June 30, 2021. The company has also been deregistered on September 07, 2021 from The Companies and Intellectual Properties Authority, Botswana.

f) The financials of SBICAP (Singapore) Limited and SBI Infra Management Solutions Private Limited have been prepared on non-going concern basis. However, there is no material impact on the financials from changing the accounting basis to non-going concern basis. The details are as below: -

i) SBICAP (Singapore) Limited, a wholly owned step-down subsidiary of SBI, had applied to surrender its Capital Market Service License (CMSL) issued by Monetary Authority of Singapore ('MAS'). MAS vide an email dated May 04, 2021 approved the cancellation of Capital Market Service License with effect from the date of email. On December 31, 2021 the Board of Directors passed a resolution to wind up the company and appointed liquidators for the purpose of such winding up.

ii) SBI Infra Management Solutions Private Limited, a wholly owned subsidiary of SBI, has passed a resolution for "voluntary liquidation" on its Board Meeting held on January 11, 2022. The subsidiary has appointed an liquidator and is in process of liquidation under The Insolvency and Bankruptcy Code 2016 .

The total assets, total income and Net profit/ (loss) after tax of the above subsidiaries for the year ended March 31, 2022 is as below: -

₹ in crore

Particulars	SBICAP (Singapore) Limited	SBI Infra Management Solutions Private Limited
Total Assets	59.88	3.89
Total Income	0.89	0.09
Net Profit / (Loss) after tax	(1.69)	(7.86)

g) SBI Capital Markets Limited, a wholly owned subsidiary of SBI, has acquired 19.70% stake in Investec Capital Services (India) Private Limited (the company) by making an investment of ₹55.00 crore. The company is considered as an associate by SBI Capital Markets Limited.

h) SBI Funds Management Private Limited, a subsidiary of SBI, has been converted as a Public Limited Company. Accordingly, the name of the subsidiary is changed to "SBI Funds Management Limited".

i) SBI Home Finance Ltd., an associate in which the Group is having 26% stake, is under liquidation and therefore, not being considered for consolidation in preparation of Consolidated Financial Statements as per Accounting Standard 21.

j) As SBI Foundation is a Not-for-Profit Company [incorporated under section 7(2) of Companies Act, 2013], SBI Foundation is not being considered for consolidation in preparation of Consolidated Financial statements as per Accounting Standard 21.

1.2 The consolidated financial statements for the financial year 2021-22 of the Group include unaudited financial statements of one subsidiary (SBI Canada Bank) & one associate (Bank of Bhutan Ltd.) the results of which are not material.

2. Disclosures as per Accounting Standards

2.1 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.

2.2 Accounting Standard- 15 "Employee Benefits":

2.2.1 Defined Benefit Plans

2.2.1.1 Employee's Pension Plans and Gratuity Plans

The following table sets out the status of the Defined Benefit Pension Plans and Gratuity Plan as required under AS 15 (Revised 2005):

₹ in crore

Particulars	Pension Plans		Gratuity Plans	
	Current Year	Previous Year	Current Year	Previous Year
Change in the present value of the defined benefit obligation				
Opening defined benefit obligation at 1st April 2021	**1,25,806.37**	**1,09,830.37**	**13,727.65**	**13,090.13**
Current Service Cost	914.92	970.09	499.18	469.35
Interest Cost	8,680.64	7,501.41	933.40	893.87
Past Service Cost (Vested Benefit)	11,124.14	-	8.35	-
Actuarial losses /(gains)	9,789.06	15,822.32	46.35	1,195.02
Benefits paid	(4,926.71)	(3,475.67)	(2,179.92)	(1,920.72)
Direct Payment by SBI	(5,263.43)	(4,842.15)	-	-
Closing defined benefit obligation at 31st March 2022	**1,46,124.99**	**1,25,806.37**	**13,035.01**	**13,727.65**

₹ in crore

Particulars	Pension Plans		Gratuity Plans	
	Current Year	Previous Year	Current Year	Previous Year
Change in Plan Assets				
Opening fair value of plan assets at 1st April 2021	**1,06,445.86**	**97,458.52**	**11,210.84**	**10,775.10**
Expected Return on Plan assets	7,344.76	6,656.42	762.11	735.81
Contributions by employer	22,163.77	2,100.68	1,504.26	1,277.03
Expected Contribution by the employees	-	-	-	-
Benefits Paid	(4,926.71)	(3,475.67)	(2,179.92)	(1,920.72)
Actuarial Gains / (Losses) on plan assets	(436.95)	3,705.91	(74.83)	343.62
Closing fair value of plan assets at 31st March 2022	**1,30,590.73**	**1,06,445.86**	**11,222.46**	**11,210.84**
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**	**13,035.01**	**13,727.65**
Fair Value of plan assets at 31st March 2022	1,30,590.73	106,445.86	11,222.46	11,210.84
Deficit/(Surplus)	15,534.26	19,360.51	1,812.55	2,516.81
Unrecognised Past Service Cost (Vested) Closing Balance	-	-	-	-
Unrecognised Transitional Liability Closing Balance	-	-	-	-
Net Liability/(Asset)	**15,534.26**	**19,360.51**	**1,812.55**	**2,516.81**
Amount Recognised in the Balance Sheet				
Liabilities	1,46,124.99	1,25,806.37	13,035.01	13,727.65
Assets	1,30,590.73	1,06,445.86	11,222.46	11,210.84
Net Liability / (Asset) recognised in Balance Sheet	15,534.26	19,360.51	1,812.55	2,516.81
Unrecognised Past Service Cost (Vested) Closing Balance	-	-	-	-
Unrecognised Transitional Liability Closing Balance	-	-	-	-
Net Liability/ (Asset)	**15,534.26**	**19,360.51**	**1,812.55**	**2,516.81**
Net Cost recognised in the profit and loss account				
Current Service Cost	914.92	970.09	499.18	469.35
Interest Cost	8,680.64	7,501.41	933.40	893.87
Expected return on plan assets	(7,344.76)	(6,656.42)	(762.11)	(735.81)
Expected Contributions by the employees	-	-	-	-
Past Service Cost (Amortised) Recognised	-	-	-	-
Past Service Cost (Vested Benefits) Recognised	11,124.14	-	8.35	-
Net Actuarial Losses / (Gains) recognised during the year	10,226.01	12,116.41	121.18	851.40
Total costs of defined benefit plans included in Schedule 16 "Payments to and provisions for employees"	**23,600.95**	**13,931.49**	**800.00**	**1,478.81**
Reconciliation of expected return and actual return on Plan Assets				
Expected Return on Plan Assets	7,344.76	6,656.42	762.11	735.81
Actuarial Gains/ (Losses) on Plan Assets	(436.95)	3,705.91	(74.83)	343.62
Actual Return on Plan Assets	**6,907.81**	**10,362.33**	**687.28**	**1,079.43**

₹ in crore

Particulars	Pension Plans		Gratuity Plans	
	Current Year	Previous Year	Current Year	Previous Year
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**	**2,516.81**	**2,315.03**
Expenses as recognised in profit and loss account	23,600.95	13,931.49	800.00	1,478.81
Paid by SBI Directly	(5,263.43)	(4,842.15)	-	-
Debited to Other Provision	-	-	-	-
Recognised in Reserve	-	-	-	-
Employer's Contribution	(22,163.77)	(2,100.68)	(1,504.26)	(1,277.03)
Net liability/(Asset) recognised in Balance Sheet	**15,534.26**	**19,360.51**	**1,812.55**	**2,516.81**

Investments under Plan Assets of Gratuity Fund & Pension Fund as on March 31, 2022 are as follows:

Category of Assets	Pension Fund	Gratuity Fund
	% of Plan Assets	% of Plan Assets
Central Govt. Securities	19.72%	18.72%
State Govt. Securities	34.84%	36.04%
Debt Securities, Money Market Securities and Bank Deposits	31.50%	29.65%
ETF and Mutual Funds	10.26%	9.96%
Insurer Managed Funds	1.31%	4.03%
Others	2.37%	1.60%
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%

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%

The expected contribution to the Pension and Gratuity fund for the next year is ₹ 3,150.25 crore and ₹ 1,783.97 crore respectively.

In case of SBI, 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 the 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.

2.2.1.2 Employees Provident Fund

Actuarial valuation carried out in respect of interest shortfall in Provident Fund Trust shows "Nil" liability, hence no provision is made in F.Y. 2021-22.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuaries:

₹ 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	**35,946.22**	**31,744.55**
Current Service Cost	1,527.66	3,320.40
Interest Cost	2,976.21	2,610.99
Employee Contribution (including VPF)	2,037.09	2,636.54
Actuarial losses/(gains)	150.44	51.85
Benefits paid	(5,130.09)	(4,418.11)
Closing defined benefit obligation at 31st March 2022	**37,507.53**	**35,946.22**
Change in Plan Assets		
Opening fair value of Plan Assets as at 1st April 2021	**37,036.39**	**32,648.72**
Expected Return on Plan Assets	2,976.21	2,610.99
Contributions	3,564.74	5,956.94
Provision for loss on maturity of non-performing investment	-	(60.59)
Benefits Paid	(5,130.09)	(4,418.11)
Actuarial Gains / (Loss) on plan Assets	(20.42)	298.44
Closing fair value of plan assets as at 31st March 2022	**38,426.83**	**37,036.39**
Reconciliation of present value of the obligation and fair value of the plan assets		
Present Value of Funded obligation at 31st March 2022	37,507.53	35,946.22
Fair Value of Plan assets at 31st March 2022	38,426.83	37,036.39
Deficit/(Surplus)	(919.30)	(1,090.17)
Net Asset not recognised in Balance Sheet	**919.30**	**1,090.17**
Net Cost recognised in the profit and loss account		
Current Service Cost	1,527.66	3,320.40
Interest Cost	2,976.21	2,610.99
Expected return on plan assets	(2,976.21)	(2,610.99)
Interest shortfall reversed	-	(11.58)
Total costs of defined benefit plans included in Schedule 16 "Payments to and provisions for employees"	**1,527.66**	**3,308.82**
Reconciliation of opening and closing net liability/ (asset) recognised in Balance Sheet		
Opening Net Liability as at 1st April 2021	-	-
Expense as above	1,527.66	3,308.82
Employer's Contribution	(1,527.66)	(3,308.82)
Net Liability/(Asset) Recognized in the Balance Sheet	**-**	**-**

Investments under Plan Assets of Provident Fund as on March 31, 2022 are as follows:

Category of Assets	Provident Fund
	% of Plan Assets
Central Govt. Securities	32.61%
State Govt. Securities	29.23%
Debt Securities, Money Market Securities and Bank Deposits	30.46%
ETF and Mutual Funds	5.71%
Others	1.99%
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	5.80%	5.60%

i) 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 SBI 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) The rules of the SBI Life Insurance Company Ltd.'s Provident Fund administered by a Trust require that if the Board of Trustees are unable to pay interest at the rate declared for Employees' Provident Fund by the Government under para 60 of the Employees' Provident Fund Scheme, 1952 for the reason that the return on investment is less or for any other reason, then the deficiency shall be made good by the Company.

2.2.2 Defined Contribution Plans

2.2.2.1 Employees Provident Fund

An amount of ₹ 56.65 crore (Previous Year ₹ 47.48 crore) is contributed towards the Provident Fund Scheme by the group (excluding the entities covered in Note 2.2.1.2) and is included under the head "Payments to and provisions for employees" in Profit and Loss Account.

2.2.2.2 Defined Contribution Pension Scheme

SBI has a Defined Contribution Pension Scheme (DCPS) applicable to all categories of officers and employees joining SBI 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, SBI has contributed ₹ 1,177.54 crore (Previous Year ₹ 648.17 crore).

2.2.2.3 The following amount is provided by the group (excluding SBI) towards Defined Contribution Plans:

₹ in crore

Sl. No.	Long Term Employees' Benefits	Current Year	Previous Year
1	Employee Pension Scheme under PF Act	35.53	32.54
2	National Pension System	7.92	6.94
3	Others	10.40	10.05
Total		**53.85**	**49.53**

2.2.3 Long Term Employee Benefits (Unfunded Obligation):

2.2.3.1 Accumulating Compensated Absences (Privilege Leave)

The following table sets out the status of Accumulating Compensated Absences (Privilege Leave) as per Actuarial valuation by independent Actuaries:

₹ 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	**8,190.54**	**7,542.58**
Current Service Cost	458.48	312.76
Interest Cost	558.32	515.59
Actuarial losses/(gains)	2,571.66	1,225.34
Benefits paid	(1,397.91)	(1,405.73)
Closing defined benefit obligation at 31st March 2022	**10,381.09**	**8,190.54**
Net Cost recognised in the profit and loss account		
Current Service Cost	458.48	312.76
Interest Cost	558.32	515.59
Actuarial (Gain)/ Losses	2,571.66	1,225.34
Total costs of defined benefit plans included in Schedule 16 "Payments to and provisions for employees"	**3,588.46**	**2,053.69**
Reconciliation of opening and closing net liability/ (asset) recognised in Balance Sheet		
Opening Net Liability as at 1st April 2021	**8,190.54**	**7,542.58**
Expense as above	3,588.46	2,053.69
Employer's Contribution	-	-
Benefit paid directly by the Employer	(1,397.91)	(1,405.73)
Net Liability/(Asset) recognized in the Balance Sheet	**10,381.09**	**8,190.54**

Principal actuarial assumptions:

Particulars	Current Year	Previous Year
Discount Rate	7.27%	6.82%
Salary Escalation	5.80%	5.60%
Attrition Rate	2.00%	2.00%

Accumulating Compensated Absences (Privilege Leave) (excluding the entities covered in above table)

An amount of ₹ 32.19 crore (Previous Year ₹ 52.64 crore) is provided by the group (excluding the entities covered in above table) towards Privilege Leave (Encashment) including leave encashment at the time of retirement and is included under the head "Payments to and provisions for employees" in Profit and Loss Account.

2.2.3.2 Other Long Term Employee Benefits

Amount of ₹ 114.39 crore (Previous Year ₹ 39.58 crore) is provided by the group towards Other Long Term Employee Benefits viz. Leave Travel and Home Travel Concession (Encashment / Availment), Silver Jubilee / Long Team Service 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.

2.2.4 The employee benefits listed above are in respect of the employees of the Group based in India. The employees of the foreign operations are not covered in the above schemes.

2.3 Accounting Standard- 17 "Segment Reporting":

2.3.1 Segment identification

A) Primary (Business Segment)

The following are the Primary Segments of the Group:

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

The present accounting and information system of the Group 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:

a) **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.

b) **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/entities.

c) **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

d) **Insurance Business:** The Insurance Business Segment comprises of the results of SBI Life Insurance Co. Ltd. and SBI General Insurance Co. Ltd.

e) **Other Banking Business:** Segments not classified under (a) to (d) above are classified under this primary segment. This segment also includes the operations of all the Non-Banking Subsidiaries/Joint Ventures other than SBI Life Insurance Co. Ltd. and SBI General Insurance Co. Ltd. of the group.

B) Secondary (Geographical Segment):

a) **Domestic Operations -** Branches, Subsidiaries and Joint Ventures having operations in India.

b) **Foreign Operations -** Branches, Subsidiaries and Joint Ventures having operations outside India and offshore banking units having operations in India.

C) 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.

D) Allocation of Revenue, Expenses, Assets and Liabilities

Expenses of parent 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 Group has certain common assets and liabilities, which cannot be attributed to any segment, and the same are treated as unallocated.

2.3.2 SEGMENT INFORMATION

PART A: PRIMARY (BUSINESS) SEGMENTS:

₹ in crore

Business Segment	Treasury	Corporate / Wholesale Banking	Retail Banking	Insurance Business	Other Banking Operations	TOTAL
Revenue (before exceptional item)	99,649.80	75,675.43	1,38,896.25	76,586.87	16,726.04	4,07,534.39
	(91,032.50)	(83,073.07)	(132,094.86)	(64,569.16)	(14,647.06)	(3,85,416.65)
Unallocated Revenue						3,155.89
						(1,651.31)
Less : Inter Segment Revenue						3,717.19
						(3,097.34)
Total Revenue						4,06,973.09
						(3,83,970.62)
Result (before exceptional items)	13,055.52	27,037.39	12,333.19	1,904.29	5,022.31	59,352.70
	(14,393.01)	(5,273.34)	(9,511.41)	(2,337.97)	(3,952.10)	(35,467.83)
Add : Exceptional items						(-)7,418.39
						(1,367.27)
Result (after exceptional items)						51,934.31
						(36,835.10)
Unallocated Income(+)/Expenses(–) net						(-) 2,195.68
						(-4,039.14)
Profit/(Loss) Before Tax						49,738.63
						(32,795.96)
Taxes						13,382.46
						(8,516.25)
Extraordinary Profit						0.00
						(0.00)
Net Profit/(Loss) before share in profit in Associates and Minority Interest						36,356.17
						(24,279.71)
Add: Share in Profit in Associates						827.01
						(-391.90)
Less: Minority Interest						1,809.30
						(1,482.36)
Net Profit/(Loss) for the Group						35,373.88
						(22,405.45)
Other Information:						
Segment Assets	16,11,406.25	13,26,995.56	20,27,135.23	2,85,210.54	58,894.25	53,09,641.83
	(14,52,023.37)	(12,21,624.66)	(18,19,067.05)	(2,37,323.29)	(46,307.46)	(47,76,345.83)
Unallocated Assets						51,241.70
						(69,272.72)
Total Assets						53,60,883.53
						(48,45,618.55)
Segment Liabilities	14,56,533.68	12,93,294.16	18,65,708.05	2,70,570.71	41,562.93	49,27,669.53
	(13,15,938.88)	(11,85,545.78)	(16,99,537.03)	(2,24,101.85)	(32,314.42)	(44,57,437.96)

Business Segment	Treasury	Corporate / Wholesale Banking	Retail Banking	Insurance Business	Other Banking Operations	TOTAL
Unallocated Liabilities						1,27,625.95
						(1,12,619.03)
Total Liabilities						50,55,295.48
						(45,70,056.99)

(i) Income/Expenses are for the whole year. Assets/Liabilities are as at March 31, 2022.

(ii) Figures within 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)#	3,95,564.85	3,72,005.60	11,408.24	11,965.02	4,06,973.09	3,83,970.62
Net Profit#	31,153.99	18,935.93	4,219.89	3,469.52	35,373.88	22,405.45
Assets *	47,74,622.21	43,16,869.48	5,86,261.32	5,28,749.07	53,60,883.53	48,45,618.55
Liabilities*	44,77,321.28	40,48,986.49	5,77,974.20	5,21,070.50	50,55,295.48	45,70,056.99

For the year ended 31st March, 2022.

* As at 31st March, 2022.

2.4 Accounting Standard-18 "Related Party Disclosures":

2.4.1 Related Parties to the Group:

A) JOINT VENTURES:

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

B) 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) Private Limited (from 29.06.2021)
5. SBI Home Finance Ltd. (under liquidation)

C) KEY MANAGEMENT PERSONNEL OF SBI:

1. Shri Dinesh Kumar Khara, Chairman
2. Shri Challa Sreenivasulu Setty, Managing Director
3. Shri Ashwani Bhatia, Managing Director
4. Shri Swaminathan Janakiraman, Managing Director
5. Shri Ashwini Kumar Tewari, Managing Director

2.4.2 Related 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.

2.4.3 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	-	-	-	-	-	-
Deposit	834.90	-	834.90	1,352.84	-	1,352.84
Other Liabilities	11.66	-	11.66	8.27	-	8.27
Balance with Banks and Money at call and short notice	0.39	-	0.39	-	-	-
Advance	856.50	-	856.50	1,434.76	-	1,434.76

Particulars	Associates/ Joint Ventures	Key Management Personnel & their relatives	Total	Associates/ Joint Ventures	Key Management Personnel & their relatives	Total
Investment	10,667.36	-	10,667.36	12,814.54	-	12,814.54
Other Assets	307.17	-	307.17	188.39	-	188.39
Non-fund commitments (LCs/BGs)	-	-	-	2,935.10	-	2,935.10
Maximum outstanding	**During FY 2021-22**			**During FY 2020-21**		
Borrowings	-	-	-	-	-	-
Deposit	1,352.93	-	1,352.93	1,543.06	-	1,543.06
Other Liabilities	14.60	-	14.60	8.27	-	8.27
Balance with Banks and Money at call and short notice	636.41	-	636.41	-	-	-
Advance	2,218.52	-	2,218.52	17,763.35	-	17,763.35
Investment	12,817.93	-	12,817.93	14,551.41	-	14,551.41
Other Assets	487.67	-	487.67	188.39	-	188.39
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	213.01	-	213.01	167.94	-	167.94
Interest expenditure	31.48	-	31.48	18.58	-	18.58
Income earned by way of dividend	21.90	-	21.90	23.29	-	23.29
Other Income	6.18	-	6.18	78.51	-	78.51
Other expenditure	24.16	-	24.16	2.44	-	2.44
Profit/(loss) on sale of land/ building and other assets	(0.83)	-	(0.83)	4.04	-	4.04
Management contracts	-	1.63	1.63	37.94	1.50	39.44

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

2.5 Accounting Standard-19 "Leases":

2.5.1 Finance Leases

Assets taken on Financial Leases on or after April 01, 2001:

The details of financial leases are given below:

₹ in crore

Particulars	As at 31.03.2022	As at 31.03.2021
Total Minimum lease payments outstanding		
Less than 1 year	66.04	51.02
1 to 5 years	140.00	105.91
5 years and above	56.83	31.14
Total	**262.87**	**188.07**

Particulars	As at 31.03.2022	As at 31.03.2021
Interest Cost payable		
Less than 1 year	11.61	8.30
1 to 5 years	20.83	15.96
5 years and above	11.75	11.52
Total	**44.19**	**35.78**
Present value of minimum lease payments payable		
Less than 1 year	54.43	42.72
1 to 5 years	119.17	89.95
5 years and above	45.08	19.62
Total	**218.68**	**152.29**

2.5.2 Operating Lease

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 group entities.

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

₹ in crore

Particulars	As at 31.03.2022	As at 31.03.2021
Not later than 1 year	172.58	121.98
Later than 1 year and not later than 5 years	279.17	203.77
Later than 5 years	183.89	33.55
Total	**635.64**	**359.30**

Amount of lease payments recognised in the Profit & Loss Account for the year is ₹ 4,134.88 crore (Previous Year ₹ 4,847.29 crore).

2.6 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 consolidated net profit/ (loss) after tax (other than minority) 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) for the Group (₹ in crore)	35,373.88	22,405.45
Basic earnings per share (₹)	39.64	25.11
Diluted earnings per share (₹)	39.64	25.11
Nominal value per share (₹)	1.00	1.00

2.7 Accounting Standard-22 "Accounting for Taxes on Income":

i) During the year, ₹ 520.09 crore has been debited to Profit and Loss Account (Previous Year ₹ 3,748.99 crore credited) on account of deferred tax.

ii) The breakup of deferred tax assets and liabilities into major items is given below:

₹ in crore

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Deferred Tax Assets		
Provision for long term employee Benefits	6,619.13	7,975.13
Provision for advances	5,093.33	4,125.04
Provision for Other Assets/ Other Liability	3,650.06	3,115.56
On Accumulated Losses	37.38	36.80
On Foreign Currency Translation Reserve	982.69	759.10
Depreciation on Fixed Assets	305.20	230.35
DTAs on account of FOs of SBI	409.56	275.67
Others	189.94	171.79
Total	**17,287.29**	**16,689.44**
Deferred Tax Liabilities		
Depreciation on Fixed Assets	41.80	38.30
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	3,950.60	3,656.53
DTLs on account of FOs of SBI	2.56	2.46
Others	6.21	6.33
Total	**10,547.75**	**9,448.35**
Net Deferred Tax Assets/(Liabilities)	**6,739.54**	**7,241.09**

iii) SBI 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.

2.8 Accounting Standard-28 "Impairment of assets":

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

2.9 Accounting Standard – 29 "Provisions, Contingent Liabilities and Contingent Assets"

➢ **Provisions and contingencies recognised in Profit and Loss Account:**

The breakup of provisions is given in the table below :

₹ in crore

Sr No.	Break up of "Provisions and Contingencies" shown under head Expenditure in Profit and loss account	Current Year	Previous Year
a	Provision for Taxation		
	- Current Tax	12,859.32	12,278.08
	- Deferred Tax	520.09	(3,748.99)
	- (Write Back)/Additional Provision of Income Tax	3.05	(12.84)
b	Provision on Non-Performing Assets	15,902.01	29,758.90
c	Provision on Restructured Assets	(56.11)	(26.25)
d	Provision on Standard Assets	4,581.82	3,601.32
e	Provision for Depreciation on Investments	3,471.78	2,820.99
f	Other Provisions	2,777.19	9,947.20
	Total	**40,059.15**	**54,618.41**

(Figures in brackets indicate credit)

➢ **Floating provisions:**

₹ in crore

Sr No.	Particulars	Current Year	Previous Year
a	Opening Balance	193.75	193.75
b	Addition during the year	-	-
c	Draw down during the year	-	-
d	**Closing balance**	**193.75**	**193.75**

➢ **Description of contingent liabilities (AS-29):**

Sr. No	Particulars	Brief Description
1	Claims against the Group not acknowledged as debts	The Group is a party to various proceedings in the normal course of business. It does not expect the outcome of these proceedings to have a material adverse effect on the Group's financial conditions, results of operations or cash flows. The Group is 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 Group 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 Group 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 Group issues documentary credits and guarantees on behalf of its customers. Documentary credits enhance the credit standing of the customers of the Group. 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 Group is contingently liable	The Group 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 SBI on behalf of Associates & Subsidiaries, SBI'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

Sr No.	Particulars	Current Year	Previous Year
a	Opening Balance	3,435.01	633.72
b	Additions during the year	438.44	2,981.19
c	Amount utilised during the year	7.43	68.47
d	Unused amount reversed during the year	196.85	111.43
e	**Closing balance**	**3,669.17**	**3,435.01**

3. Inter-Bank/ Company balances between group entities are being reconciled on an ongoing basis and there is on material effect on the profit and loss account of the current year.

4. No disclosure on divergence in asset classification and provisioning for NPAs is required by SBI 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.

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

   RBI vide Circular No. DOR.STR.REC.10/21.04.048/2021-22 dated May 5, 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 December 31, 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, SBI has not utilized the CCPB for making specific provision for NPAs.

6. 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, SBI 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 unamortised expenditure in the Balance Sheet on account of Family Pension Scheme.

7. The COVID-19 pandemic across the globe resulted in decline in economic activities and movement in financial markets. In this situation, SBI 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 SBI's assets. SBI's management is not expecting any significant impact on SBI's liquidity or profitability. On the basis of aforementioned assessment, during the quarter ended March 31, 2022, the existing covid provision of ₹ 6,183 crore has been utilised towards additional provisions against restructured assets.

8. During the year ended March 31, 2021, SBI had accounted for ₹ 5,353.50 crore arising out of 11th Bi-Partite Wage Settlement effective from November 1, 2017 as 'Payment to and provision for employees' under schedule 16 "Operating Expenses".

9. 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 March 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, SBI had reversed interest income by ₹ 830 crore during the year ended March 31, 2021.

10. In SBI Life Insurance Company Ltd. and SBI General Insurance Company Ltd., the actuarial valuation of liabilities in respect of life insurance policies in force, life insurance policies in respect of which premium has been discontinued but liability exists as at March 31 , 2022, Claims Incurred But Not Reported (IBNR) and Claims Incurred But Not Enough Reported (IBNER) are determined by the Appointed Actuary based on guidelines and norms issued by the Insurance Regulatory Development Authority of India ("IRDAI" / "Authority") and the Institute of Actuaries of India in concurrence with the Authority.

11. The investments of life and general insurance subsidiaries have been accounted for in accordance with the IRDAI guidelines instead of restating the same in accordance with the accounting policy followed by SBI. The investments of insurance subsidiaries constitute approximately 15.33% (Previous Year 14.13%) of the total investments as on March 31, 2022.

12. The Central Board of SBI has declared a dividend of ₹ 7.10 per share @ 710% for the year ended March 31, 2022 (Previous Year ₹ 4 per share @ 400%) .
13. In accordance with RBI circular DBOD NO.BP.BC.42/21.01.02/2007-08, redeemable preference shares (if any) are treated as liabilities and the coupon payable thereon is treated as interest.
14. In accordance with current RBI guidelines, the general clarification issued by ICAI has been considered in the preparation of the consolidated financial statements. Accordingly, additional statutory information disclosed in separate financial statements of the parent and its subsidiaries having no bearing on the true and fair view of the consolidated financial statements and also the information pertaining to the items which are not material have not been disclosed in the consolidated financial statements in view of the Accounting Standard Interpretation issued by ICAI.
15. Previous year figures have been regrouped/reclassified, wherever necessary, to conform 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.

Shri Ashwini Kumar Tewari
Managing Director
(IB, T & S)

Shri Swaminathan J.
Managing Director
(R, C & SARG)

Shri Ashwani Bhatia
Managing Director
(CB & GM)

Shri Challa Sreenivasulu Setty
Managing Director
(R & DB)

In terms of our Report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Regn. No. 105049W

Shri Dinesh Kumar Khara
Chairman

Shri Shailesh Shah
Partner
Membership No. 033632

Place: Mumbai
Date : 13th May, 2022

State Bank of India

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

(000s omitted)

PARTICULARS	Year ended 31.03.2022 ₹	Year ended 31.03.2021 ₹
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before taxes (including share in profit from associates and net of minority interest)	48756,34,30	30921,70,78
Adjustments for :		
Depreciation on Fixed Assets	3691,27,00	3711,06,36
(Profit)/Loss on sale of Fixed Assets (Net)	16,40,47	28,33,64
(Profit)/Loss on revaluation of Investments (Net)	445,73,69	5,15,48
(Profit) on sale of Investments in Subsidiaries/Joint Ventures/ Associates	(9,74,32)	(1577,84,31)
Loss on sale of Investments in Subsidiaries/Joint Ventures/ Associates	-	254,41,31
Provision for diminution in fair value & Non Performing Assets	15845,89,97	29732,65,29
Provision on Standard Assets	4581,81,42	3601,32,26
Provision on non-performing Investments	3471,78,80	2820,98,83
Other Provisions including provision for contingencies	2777,18,33	9947,19,49
Share in Profit of Associates	(827,01,33)	391,90,45
Dividend from Associates	(3,19,50)	(3,19,50)
Interest charged on Capital Instruments	5587,88,74	5900,31,21
	84334,37,57	**85734,01,29**
Adjustments for :		
Increase/(Decrease) in Deposits	372079,35,89	441170,61,63
Increase/(Decrease) in Borrowings other than Capital Instruments	11807,87,55	90438,85,18
(Increase)/Decrease in Investments other than Investment in Subsidiaries / Joint Ventures / Associates	(183899,64,02)	(368800,15,43)
(Increase)/Decrease in Advances	(309322,91,48)	(156020,45,83)
Increase/(Decrease) in Other Liabilities	86464,26,64	67465,50,14
(Increase)/Decrease in Other Assets	5255,82,79	(66249,94,63)
	66719,14,94	**93738,42,35**
Tax refund / (Taxes paid)	(9024,30,30)	(3819,49,34)
NET CASH GENERATED FROM / (USED IN) OPERATING ACTIVITIES (A)	**57694,84,64**	**89918,93,01**
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Shares in Subsidiaries/Joint Ventures/Associates	(582,76,40)	(3176,94,16)
Sale of Shares in Subsidiaries/Joint Ventures/Associates	2,22,96	1942,10,97
Profit on sale of Investments in Subsidiaries/Joint Ventures/ Associates	9,74,32	1577,84,31
(Loss) on sale of Investments in Subsidiaries/Joint Ventures/ Associates	-	(254,41,31)
Dividend from Associates	3,19,50	3,19,50
(Increase) in Fixed Assets	(3305,26,01)	(3909,82,50)
Decrease in Fixed Assets	254,34,31	81,80,47
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES (B)	**(3618,51,32)**	**(3736,22,72)**

(000s omitted)

PARTICULARS	Year ended 31.03.2022 ₹	Year ended 31.03.2021 ₹
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity shares including share premium (Net of share issue expenses)	-	-
Issue of Capital Instruments	14074,00,00	27431,00,00
Redemption of Capital Instruments	(10518,30,00)	(16897,66,40)
Interest paid on Capital Instruments	(5411,00,89)	(5069,10,88)
Dividend paid	(3569,84,46)	-
Dividend tax paid by Subsidiaries/Joint Ventures	(,86,64)	(3,65,16)
Increase/(Decrease) in Minority Interest	1581,50,62	1682,09,46
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES (C)	**(3844,51,37)**	**7142,67,02**
EFFECT OF EXCHANGE FLUCTUATION ON TRANSLATION RESERVE (D)	**966,26,65**	**66,39,90**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**51198,08,60**	**93391,77,21**
CASH AND CASH EQUIVALENTS AS AT 1ST APRIL	**347707,03,57**	**254315,26,36**
CASH AND CASH EQUIVALENTS AS AT THE PERIOD END	**398905,12,17**	**347707,03,57**
Note:		
1 Components of Cash & Cash Equivalents as at:	**31.03.2022**	**31.03.2021**
Cash & Balances with Reserve Bank of India	258086,43,01	213498,61,59
Balances with Banks and money at call & short notice	140818,69,16	134208,41,98
Total	**398905,12,17**	**347707,03,57**

2 Cash Flow from operating activities is reported by using indirect method.

Shri Ashwini Kumar Tewari
Managing Director
(IB, T & S)

Shri Swaminathan J.
Managing Director
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(CB & GM)

Shri Challa Sreenivasulu Setty
Managing Director
(R & DB)

In terms of our Report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Regn. No. 105049W

Shri Dinesh Kumar Khara
Chairman

Shri Shailesh Shah
Partner
Membership No. 033632

Place: Mumbai
Date : 13th May, 2022

INDEPENDENT AUDITORS' REPORT

To,
The Board of Directors,
State Bank of India,
State Bank Bhavan,
Madam Cama Road,
Mumbai.

Report on Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of State Bank of India ("the Bank") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year then ended, and Notes to Consolidated Financial Statements including a summary of Significant Accounting Policies and other explanatory information which includes:

   a) Audited Standalone Financial Statements of the Bank which have been Audited by all the fourteen Statutory Central Auditors including us;

   b) Audited Financial Statements of 26 Subsidiaries, 8 Jointly Controlled Entities and 17 Associates (including 14 Regional Rural Banks) audited by other Auditors; and (listed in Annexure A)

   c) Un-audited Financial Statements of 1 Subsidiary and 1 Associate (listed in Annexure A).

   The above entities together with the Bank are referred to as the 'Group'.

   In our opinion and to the best of our information and according to the explanations given to us, and based on our consideration of the reports of other auditors on separate financial statements of subsidiaries, jointly controlled entities and associates, the unaudited financial statements and the other financial information of subsidiaries as furnished by the management, the aforesaid Consolidated Financial Statements are in conformity with accounting principles generally accepted in India and give:

   a) true and fair view in case of the Consolidated Balance Sheet, of the State of Affairs of the Group as at March 31, 2022;

   b) true balance of profit in case of Consolidated Profit & Loss Account for the year ended on that date; and

   c) true and fair view in case of Consolidated Cash Flow Statement for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (the ICAI). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the code of ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Consolidated Financial Statements, 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 Consolidated Financial Statements for the year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated 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 of the Bank to be communicated in our report:

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
Key Audit matters reported in standalone financial statements of the Bank:		
i	**Classification of Advances, Income Recognition, Identification of and provisioning for non-performing Advances :** 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.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
ii	**Classification and Valuation of Investments, Identification of and provisioning for Non-Performing Investments:** 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	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.

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:** 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.
Key Audit Matters as reported by auditors of SBI Life Insurance Company Limited:		
iv	**Information Technology systems and controls (IT Controls):** All insurance companies are highly dependent on technology due to significant number of transactions that are processed daily. A significant part of the company's financial processes is heavily reliant on IT systems with automated processes and controls over the capturing, valuing and recording of transactions. Thus, there exists a risk that gaps in the IT Control Environment could result in the financial accounting and reporting records being materially misstated. The company uses several systems for its overall financial reporting. We have identified "IT systems and controls" as key audit matters because of significant use of IT system and the scale and complexity of the IT architecture.	Principal audit procedures: • Sample testing of key control over IT systems having impact on financial accounting and reporting. • Assessed the IT system processes for effectiveness of some of the key controls with respect to financial accounting and reporting records by sample testing; and • Our audit approach relies on automated controls and therefore procedures are designed to test control over IT systems, segregation of duties, interface and system application controls over key financial accounting and reporting systems. • Reviewed the report of independent information system auditors which has confirmed the various system control measures adopted by the company.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matters</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>v</td><td>Valuation of Investments: -

The company's investment portfolio consists of Policyholders' investments (traditional and unit linked policy holders) and Shareholders investment.

Total investment portfolio of the company (i.e Asset under management (AUM)) represents 99.7 per cent of the Company's total assets.

Investments are made and valued in accordance with Insurance Act, 1938, IRDAI (Investment) Regulations, 2016 ("Investment Regulation"), IRDAI (Preparation of Financial Statement Regulation), 2002 ("Financial Statement Regulations"), Investment Policy of the Company and relevant Indian GAAPs.

These valuation methods used multiple observable market inputs, including observable interest rate, index levels, credit spreads, equity prices, counter party credit quality, and corresponding market volatility levels etc.

The portfolio of quoted investments is 35.4 per cent of the Company's AUM and the portfolio of investments that are valued primarily using observable inputs is 62.8 per cent of the Company's AUM. We do not consider these investments to be at a high risk of significant misstatement, or to be subject to a significant level of judgement because they comprise liquid, quoted investments. However, due to their materiality in the context of the standalone financial statements as a whole, they are considered to be one of the areas which had the significant impact on our overall strategy.

The portfolio of unquoted investments is 1.3 per cent of the Company's AUM. The valuation of unquoted investment involves judgement depending on the observability of the inputs into the valuation and further judgement in determining the appropriate valuation methodology where external pricing sources are either not readily available or are unreliable.

The valuation of these investment was considered to be one of the areas which required significant auditor attention and was one of the matter of significance in the financial statements due to the materiality of total value of investments to the financial statements.</td><td>Principal Audit Procedures:

• We assessed appropriateness of the pricing methodologies with reference to IRDAI Investment Regulations, Financial Statement Regulation, Company's internal investment and valuation policy.
• Assessed the process and tested the operating effectiveness of the key controls, including the Company's review and approval of the estimates and assumptions used for the valuation including key authorisation and data input controls.
• Fair value is best evidenced by quoted market prices in an active market. Where quoted market prices are not available, the quoted prices of similar products or valuation models with observable market based inputs are used to estimate fair value. The calculation of estimated fair value is based on market conditions at a specific point in time and may not be reflective of future values.
• For quoted investments, the valuation was done in accordance with the independent prices sources / market prices in an active market.
• For unquoted investments, we critically evaluated the valuation assessment and resulting conclusions in order to determine the appropriateness of the valuation recorded with reference to the assessment made by the management for such valuation.</td></tr>
</table>

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
vi	**Contingent Liabilities and Litigations:-** The company has pending litigation matters with various appellate authorities and at different forums. The same involves judgements in accordance with applicable Accounting Standards to determine the final outcome of such litigation matters. The management with the help of its experts as needed have made judgements relating to the likelihood of an obligation arising and whether there is a need to recognise a provisional disclose a contingent liability. We therefore focused on this area as a result of uncertainty and potential material impact.	Principal Audit Procedures:- • We read the various regulatory correspondences and related documents pertaining to litigation cases and corroborated them with our understanding of legal position as various statues. • We obtained legal opinion sought by management from the independent legal counsel including opinion of our own team to review the sustainability of the dispute. We discussed the status and potential exposure in respect of significant litigation with the company's internal legal team and obtaining details regarding the progress of various litigation including management views on the likely outcome of each litigation and the magnitude of potential exposure • The various litigation matters were reviewed in order to assess the facts and circumstances and to identify the potential exposures and to satisfy ourselves that it is not probable that an outflow of economic benefits will be required, or in certain cases where the amount can not be estimated reliably, such obligation is disclosed by the company as a contingent liability.
Key Audit Matters as reported by auditors of SBI Capital Markets Limited:		
vii	**Evaluation of uncertain tax positions:** The company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.	Principal Audit Procedures: We evaluated the Company's processes and controls for monitoring the tax disputes. Obtained risk assessment of tax litigation from our internal tax expert to assess management's judgment and assumption on such matters to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. They also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.

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

4. The Bank's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance report (but does not include the Consolidated Financial Statements and our auditors' report thereon), which will be obtained at the time of issue of this auditors' report, and the Directors' Report of the Bank including annexures in annual report, if any, thereon, which is expected to be made available to us after the date of this Auditors' Report.

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

   In connection with our audit of the Consolidated 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 Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

   When we read the Director's Report of the Bank, 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 Consolidated Financial Statements

5. The Bank's Board of Directors is responsible with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance

with the Accounting Standard 21-"Consolidated Financial Statements", Accounting Standards 23- "Accounting for Investment in Associates in Consolidated Financial Statements" and Accounting Standards 27 – "Financial Reporting of Interest in Joint Venture" issued by the Institute of Chartered Accountants of India, and provisions of Section 29 of the Banking Regulation Act, 1949, the State Bank of India Act,1955 and circulars and guidelines issued by the Reserve Bank of India (RBI) from time to time and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Banking Regulations Act, 1949 and applicable laws 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 respective financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, respective Board of Directors of the Group Entities is responsible for assessing the respective Group Entity'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 Group Entities or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors of the Group Entities are also responsible for overseeing the respective Group Entity's financial reporting process.

Auditors' Responsibility for the Audit of Consolidated Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material, if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated 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 Consolidated 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.
   - 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 Group Entity'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 Consolidated 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 Group Entity to cease to continue as a going concern.
   - Evaluate the overall presentation structure and content of the Consolidated Financial Statements, including the disclosures and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
   - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associates and Jointly Controlled Entities of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning 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 financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated 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. Incorporated in these consolidated financial statements are the:

    a) 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 reflect total assets of ₹ 21,18,949 crore at March 31, 2022 and total revenue of ₹ 1,17,395 crore 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 in our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors;

    b) We did not audit the financial statements of 26 Subsidiaries, 8 Jointly Controlled Entities whose financial statements reflect total assets of ₹ 3,92,357.32 crore as at March 31, 2022, total revenues of ₹ 95,147.53 crore for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of net profit of ₹ 822.88 crore for the year ended March 31, 2022, as considered in the Consolidated Financial Statements, in respect of 17 associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors

    c) We did not audit the financial statements of 1 subsidiary and 1 associate whose financial statements reflect total assets of ₹ 8,305.05 crore as at March 31, 2022, total revenues of ₹ 238.47 crore as considered in the Consolidated Financial Statement. The Consolidated financial statement also include the Group's share of net profit ₹ 13.18 crore for the year ended March 31, 2022 as considered in the Consolidated Financial Statements, in respect of 1 associate, whose financial statement have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, and our report relates to the aforesaid subsidiary, and associate, in so far as is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

    Our opinion on the Consolidated Financial Statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

8. The auditors of SBI Life Insurance Company Limited and SBI General Insurance Company Limited, subsidiaries of the Group, have reported that the actuarial valuation of liabilities for life policies in force and the actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR) and Claims Not Incurred But Not Enough Reported (IBNER) is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at March 31, 2022 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory Development Authority of India ("IRDAI" / "Authority") and the Institute of Actuaries of India in concurrence with the Authority. The auditors have relied upon Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists in financial statements of the Company.

Report on Other Legal and Regulatory Requirements

9. The Consolidated Balance Sheet and the Consolidated 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 paragraph 5 to 8 above and as required by the State Bank of India Act, 1955, and subject also to the limitations of disclosure required therein, 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.

10. 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 the reports of the other auditors and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

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

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

    b) On the basis of the written representations received from the directors of the Bank as on March 31, 2022 taken on record by the Board of Directors of the Bank and the reports of the statutory auditors of its subsidiary, associate companies and jointly controlled entities incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.

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

    d) As per para 1.14 of the Technical Guide on Audit of Internal Financial Controls in Case of Public Sector Banks issued by ICAI, the reporting requirement as introduced by RBI regarding Internal Financial Control over Financial Reporting will apply only to standalone financial statements of Public Sector Banks (PSBs) and not to consolidated financial statements of PSBs. Accordingly, reporting is not done on the Group's Internal Financial Control over Financial Reporting with reference to the Consolidated Financial Statements as at March 31, 2022.

KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS
ICAI Firm Registration No. 105049W

SHAILESH SHAH
PARTNER
Membership No. 033632
UDIN: 22033632AIXHXY1851

Place – Mumbai
Date – May 13, 2022

Annexure A: List of entities consolidated as at March 31, 2022

Sr. No.	Name of Subsidiary	Sr. No.	Name of Subsidiary
1	SBI Capital Markets Ltd.	15	SBI–SG Global Securities Services Pvt. Ltd.
2	SBICAP Securities Ltd.	16	SBI Funds Management Ltd.
3	SBICAP Trustee Company Ltd.	17	SBI Funds Management (International) Private Ltd.
4	SBICAP Ventures Ltd.	18	Commercial Indo Bank Llc, Moscow
5	SBICAP (Singapore) Ltd.	19	Bank SBI Botswana Limited
6	SBI DFHI Ltd.	20	SBI Canada Bank
7	SBI Global Factors Ltd.	21	State Bank of India (California)
8	SBI Infra Management Solutions Pvt. Ltd.	22	State Bank of India (UK) Limited
9	SBI Mutual Fund Trustee Company Pvt Ltd.	23	State Bank of India Servicos Limitada
10	SBI Payment Services Pvt. Ltd.	24	SBI (Mauritius) Ltd.
11	SBI Pension Funds Pvt Ltd.	25	PT Bank SBI Indonesia
12	SBI Life Insurance Company Ltd.	26	Nepal SBI Bank Ltd.
13	SBI General Insurance Company Ltd.	27	Nepal SBI Merchant Banking Limited
14	SBI Cards and Payment Services Limited		

Sr. No.	Name of Joint venture	Sr. No.	Name of Joint venture
1	C - Edge Technologies Ltd.	5	Macquarie SBI Infrastructure Trustee Ltd.
2	SBI Macquarie Infrastructure Management Pvt. Ltd.	6	Oman India Joint Investment Fund – Management Company Pvt. Ltd.
3	SBI Macquarie Infrastructure Trustee Pvt. Ltd.	7	Oman India Joint Investment Fund – Trustee Company Pvt. Ltd.
4	Macquarie SBI Infrastructure Management Pte. Ltd.	8	Jio Payments Bank Ltd.

Sr. No.	Name of Associates	Sr. No.	Name of Associates
1	Andhra Pradesh Grameena Vikas Bank	10	Uttarakhand Gramin Bank
2	Arunachal Pradesh Rural Bank	11	Jharkhand Rajya Gramin Bank
3	Chhattisgarh Rajya Gramin Bank	12	Saurashtra Gramin Bank
4	EllaquaiDehati Bank	13	Rajasthan Marudhara Gramin Bank
5	Meghalaya Rural Bank	14	Telangana Grameena Bank
6	Madhyanchal Gramin Bank	15	The Clearing Corporation of India Ltd.
7	Mizoram Rural Bank	16	Yes Bank Limited
8	Nagaland Rural Bank	17	Bank of Bhutan Ltd.
9	Utkal Grameen Bank	18	Investec Capital Services (India) Private Limited (w.e.f June 29, 2021)