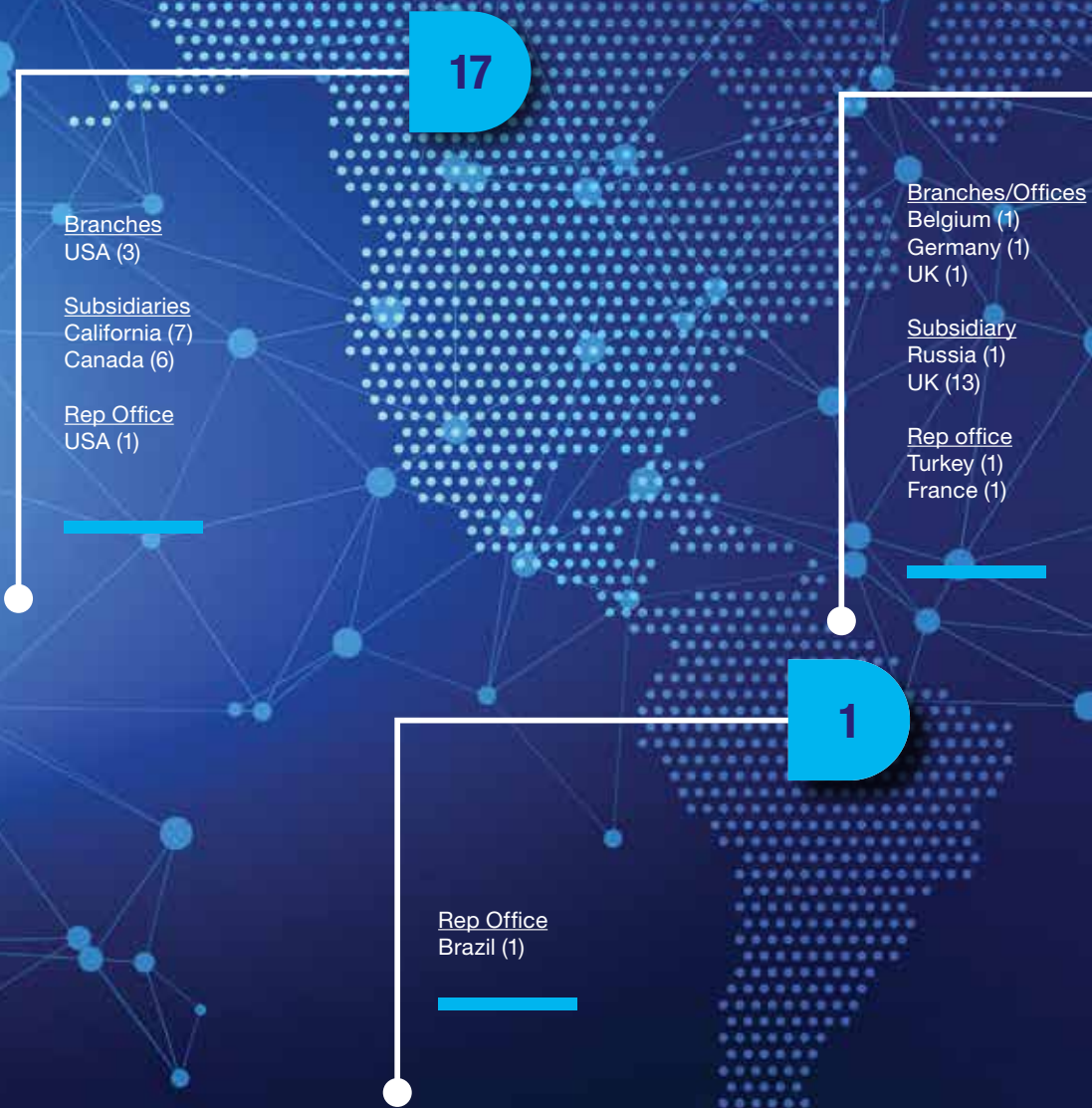


C. INTERNATIONAL BANKING OPERATIONS



Branches/Sub Offices

China (1)
S. Korea (1)
Japan (2)
India (1)

Branches/Offices

Maldives (4)
Sri Lanka (5)
Bangladesh (18)
Myanmar (1)
Singapore (6)
Hong Kong (1)

Subsidiary

Indonesia (11)
Nepal (108)

Joint Venture

Bhutan (1)

Rep Office

Philippines (1)

19

161

13

20

Branches/Offices

Bahrain (3)
UAE (2)
Oman (1)
Israel (1)

Rep Office

Iran (1)
UAE (2)

Exchange Co.

Oman (2)
UAE (1)

Branches/Offices
S Africa (3)

Subsidiary
Mauritius (15)
Botswana (1)

Investment
Nigeria (1)

2

Branches/Offices
Australia (2)

Foreign Banking Subsidiaries / Joint Ventures	ShareHolding(%)
Subsidiaries	
State Bank of India (California)	100.00
SBI Canada Bank	100.00
State Bank of India (UK) Limited	100.00
Commercial Indo Bank LLC	60.00
SBI (Mauritius) Limited	96.60
Bank SBI Indonesia	99.00
Bank SBI Botswana Limited	100.00
Nepal SBI Bank Limited	55.00
Foreign Non-Banking Subsidiary	
SBI Servicos Limitada, Brazil	99.99
Joint Venture	
Bank of Bhutan Limited	20.00

International Operations of your Bank have been guided by the overarching principle of supporting global Indian corporates and Indian diaspora spread across the geographies. However, the focus of the bank has slowly shifted from its reliance on the India based business to claim its place in the overseas local markets, in line with its vision to become a truly International Bank. Consequently, it has a separate Business Unit – International Banking Group (IBG) headed by the Managing Director (GB&S) and supported by the Deputy Managing Director (IBG) for its overseas operations.

GLOBAL PRESENCE

Your Bank's first global footprint was with the branch of Bank of Madras in Colombo, Sri Lanka in July 1864 (First amongst Indian Banks). With a presence across all time zones through 233 offices in 32 countries, your Bank has gradually spread its wings across the globe and has become a pioneer of International Banking among the Indian PSBs. These offices are being managed by the IBG.

During FY2020, your Bank has consolidated its overseas operations to achieve capital conservation, cost efficiencies and synergies in overseas markets. Your Bank has rationalised its overseas operations by closing four branches- Nassau (Bahamas), Paris (France), Jeddah (Saudi Arabia), Tianjin (China) and merged two branches- Gulshan (with Dhaka, Bangladesh) and Verdun Road (With Little India, Singapore). During this period, a Sub-Office was started in Melbourne to increase our share in remittance and Trade Finance business. Representative Office at Paris and an extension counter at Motijheel (Bangladesh) were also operationalized. Also, 6 India Visa Application Centres (IVAACs) were opened in Bangladesh at Thakurgaon, Brahmanbaria, Comilla, Sathkira, Bogura and Naokhali. Further, in line with your Bank's growth strategy in SAARC region, Nepal SBI Bank Limited, a subsidiary of your Bank has opened 22 offices. Thus, 9 foreign offices of SBI and 23 offices of overseas subsidiaries have been added during the FY2020.

The breakup of overseas offices of our Bank:

	Overseas Offices as on 31.03.2019	Offices opened during last 12 months	Offices closed during last 12 months	Overseas Offices as on 31.03.2020	SBI Overseas Branches Business Volume
Branches / Sub-Offices / Other Offices	57	8	7*	58	USD 58,422 Mio
Subsidiaries	(9)	0	0	(9)	
Offices of Subsidiaries	140	23*	0	163	Net Profit USD 471 Mio
Representative Offices	6	1	0	7	
JV/Associates / Managed exchange Cos /Investments	5	0	0	5	
Total	208	32	7	233	

*Includes extension counter shifted to State Bank of India (UK) Ltd. (Subsidiary)



1. CREDIT CONTRIBUTION: BUSINESS DRIVER

Your Bank has facilitated Indian corporates in their growth strategy including Green Field ventures by arranging debt in Foreign Currency by way of External Commercial Borrowings through syndicated deals in conjunction with other Indian and Foreign Banks, and through bilateral arrangements. In recognition of its exemplary efforts, your Bank was chosen as the “Syndicated Loan House of the Year” - India by APLMA (Asia Pacific Loan Market Association).

Your Bank has sanctioned Foreign Currency loans to the tune of USD 9.2 billion to Indian related corporates and USD 11.35 billion loans to overseas entities. In the field of Energy, your Bank has provided a funding of USD 1.82 billion to oil companies, which have significant strategic importance for India, in terms of augmenting India's Energy Security amid unstable Crude and Forex prices.

2. TRADE FINANCE

SBI provides a slew of Trade Finance products and services to exporters and importers through an extensive, well equipped branch network that operates in all time zones in India and abroad. Global Trade Department (GTD) facilitates and supports our Foreign

Offices (FOs) for an orderly growth of Trade Finance portfolio. GTD formulates policies and innovates new products for FOs as per changing regulatory norms and market demands. It takes a lead in introduction of new technologies to improve service quality in Trade Product offerings viz., LC discounting, Secondary Market Participations in Bank / Corporate Risk, India centric Trade Credit, ECA/ MLA backed Trade Finance, Supply Chain Finance program, Letters of Credit, Bank Guarantees etc. Robust Trade Finance technology solution for back end operations with a customer interface and AML / CFT compliance solution integrated to it is available at all FOs.

GTD facilitates Trade Credit to Indian Corporates for their imports by centralized handling of Quote process. It plays an important role in synergizing business flows between Domestic and Foreign offices for maximizing returns. It also organizes Trade related workshops/ Conferences, by partnering with BAFT (Bankers Association for Finance and Trade), GTR (Global Trade Review) etc., which provide a good platform for Trade Finance operating officials to acquaint with latest trends in Global Trade Finance market. Further, Workshops are also organized by partnering with ICC, FIEO etc to provide platform for networking with Exporters/ Regulators/ Industry majors.

The department co-ordinates with Ministry of Defense for their Bank Guarantees and other Trade Product services through our FOs.

Trade finance business has a contribution of ~ 27% in the IBG advances portfolio and it contributes ~12% to Non-Interest Income.

SBI has been recently awarded “The Best Trade Finance Provider (India) –2020” for eighth consecutive year by Global Finance Magazine.

3. OVERSEAS TREASURY MANAGEMENT:

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





- Liquidity Management
- Dealing Room Operations
- Investments

TMG-IBG manages overall liquidity portfolio of IBG and also monitors ALM ratios. TMG is the nodal department for raising Long and Medium-Term Funds through Bond Issuance (MTN/ Standalone 144A), Syndicated Loans etc. During the FY, your Bank did not go for




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any public bond issuance/ syndicated loan. TMG has utilized various means of borrowings in small tranches, to keep the cost of resources in check. Further, TMG in its endeavor to optimize the cost of resources has prepaid USD 1.325 Bn borrowings (in four parts) and replaced it with lower cost resources. TMG has issued bonds through private placements of USD 380 Mio in three tranches including USD 100 mio through Green Bonds, which demonstrates bank's ability to adapt to different market conditions and funding requirements.

TMG manages IBG's Investment book, which currently stands at ~ USD 5.70 Bn. These investments are held in highly rated and liquid scrips which provide stable interest income for IBG with low/ medium risk. The department monitors dealing rooms at major centres, in order to facilitate Money Market, Forex and Derivative functions at FOs. Currently there are four major dealing rooms at London, New York, Hong Kong and Bahrain who work on a hub and spoke model to help smaller Foreign Offices in their operations. Dealing operations also provide hedging solutions to balance sheet in optimum manner.

4. FINANCIAL INSTITUTIONS GROUP – CORRESPONDENT RELATIONS

The Group facilitates linkages of the Bank with international stake-holders viz. Correspondent Banks, Foreign Govt. Agencies and Developmental Financial Institutions, International Chamber of Commerce etc. on one side and facilitates synergy between IBG and other Business Verticals such as Corporate Accounts Group, Commercial Clients Group, Global Markets and National Banking Group on the other side.

- FIG continues to leverage on the Bank's correspondent network of 227 Banks in 56 countries to deliver tailored financial solutions for its global customers.
- FIG adopts data driven approach for enhancing business relationship with the Correspondent Banks with a single-minded proposition to deliver value for the corporates and end customers. It embraces sustainable

technological advancements and evolving risk framework in dealing with the Correspondents.

- FIG strives to make SBI the Correspondent Bank for all Indian Public sector and private sector banks by utilizing its global presence.
- IBG Correspondent Banking policy is refined at regular intervals incorporating the latest trends in Correspondent Banking and based on learnings of adverse operational deficiencies faced by Financial Institutions.
- More than account relationships, FIG product focus areas have widened to Trade Finance, Credit, Treasury, Debt Capital Markets, Forex Business, Transaction Banking, Remittances and Currency Clearing.

5. INTERNATIONAL BANKING-DOMESTIC (IBD)

IBD at IBG serves as a single point of contact between the Domestic Offices and Foreign Offices in areas related to Trade Finance and International Banking. IBD thus contributes to synergize Forex business flows from Domestic Offices to Foreign Offices/ Foreign Correspondent Banks and trading community by acting as a robust link between them and addressing related gaps.

Centralized Co-ordination Cell for processing Inward Foreign Bank Guarantee (CCC-FBG) for processing Inward and outward Foreign Bank Guarantees under IBD provides a one stop solution for Correspondent Banks/ Foreign Offices/ Domestic Banks/ Domestic Offices seeking Foreign Bank Guarantees based on their counter Guarantees.

IBD is instrumental in improving FEMA compliance across the Bank. It ensures timely submission of RBI/FEMA related returns and facilitates system related enhancements and updations with regard to FEMA/ RBI guidelines. IBD is also involved in introducing latest technological tools and product innovations.

6. RETAIL AND REMITTANCES STRATEGY

Your Bank has been a "Window to India" for NRIs residing in different parts of the world through its specialized retail and remittances products. As IT infrastructure is the bedrock for improving customer offerings in Retail & Remittances segment, a detailed IT strategy was put in place for implementation of IT enablers. The highlights of the year are mentioned here under:



Ms. Nirmala Sitharaman, Hon'ble Finance Minister of India, Mr. Randal Quarles, Vice Chair for Supervision- Federal Reserve Board, USA interacting with Mr. Rajnish Kumar, Chairman SBI at the SBI Reception during World Bank/IMF Annual meetings 2019 at Washington DC.

- YONO SBI, one of the most ambitious and secure digital offering of the bank has now been extended to customers at our overseas offices. YONO SBI UK has been successfully launched in September 2019 and has already seen significant acceptance from the customers.
- YONO Global is scheduled to be rolled out across 10+ geographies in 2020.
- Remittance business strategy was re-imagined by focusing on developing various 'area specific Payment and Remittance Corridors', like Mauritius to Bangladesh in BDT (Bangladeshi Taka) and Gulf to Nepal (NPR).
- Open Banking project for opening up of Bank's Customer/Account information through API's to third party service providers has been successfully implemented in four Foreign Offices (UK, Germany, Antwerp and Bahrain) during FY2020.

7. GLOBAL PAYMENTS AND SERVICES

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

- Tie-up with 55 Exchange Companies, one Money Service Business and six Banks for channelizing inward rupee remittances from overseas to India.
- During FY2020, GP&S on behalf of domestic branches handled 64,823 Export bills (in USD and Euro) and 35,454 Foreign Currency Cheque collection aggregating to USD 16.431 billion.
- During the same period, GP&S handled 10.387 million online inward remittance transactions amounting to USD 6.797 billion, received from various global centers.

- 175 Vostro Accounts for different Correspondent Banks/ Exchange Companies/ SBI Foreign Offices are maintained.
- Pan India Nodal Office for handling ACU transactions for SBI.

8. OVERSEAS IT INITIATIVES

Your Bank continues to leverage technology solutions to automate processes, enhance customer experience and manage risk. The initiatives undertaken at our overseas offices include:

- For ensuring optimal distribution of excess volume of transactions or traffic seamlessly, the High Availability (HA) project was initiated. HA implementation in Finacle Core and Connect 24 has been rolled out in all FO's. This is expected to enhance the availability of systems and eliminate possibilities of breakdowns.
- Automation of Regulatory reports through Oracle Financial Services Analytical Application (OFSAA) for our Foreign Offices has commenced and this year, the automation of regulatory reports of our South Africa operations has been completed. More FO's are now being taken up under this project for automation of their Regulatory reports.



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- Open Banking project for opening of Bank's customer/account information through API's to third party service providers as per PSD2 directives has been successfully implemented in four FO's namely UK, Germany, Antwerp & Bahrain during 2019-20.
- Automation of the Ind As Financial Statements has been taken up during the year. The gamut of work under the IFRS Ind AS project would include the automation of the Risk Model (For PD/LGD) developed by our Risk department and consolidation of IBG Balance sheets through OFSAA.
- A Centralized Back Office for Foreign Offices is being contemplated as a strategy for optimization of Capital and reducing costs through efficient deployment of Human Resources. The proposed model is to have a BPO in a premised owned/leased by SBI within Bank's network and directly under control of IBG. The BPO will handle the entire transaction life cycle associated with the transaction making/data entry to be handled by outsourced employees and checker/authorizer functions to be handled by Bank's Officials.

3. COMMERCIAL CLIENTS GROUP (CCG)

A. COMMERCIAL CLIENTS

The CCG vertical is headed by a MD and supported by two DMDs, five CGMs and nine CCG Regional offices (CCGROs) headed by GMs. The vertical services the credit needs of select large corporate clients. The very large ones are serviced by CAG. The mandate of the vertical is to cater to all needs of this segment of corporate clients, to manage associated risks and sustain growth. There are 48 CCG branches of which one of them caters to the needs of capital market participants such as brokerage houses and manages IPOs.

CGMs in the CCG are assigned as the group relationship owners in order to improve the quality of coverage and enable an integrated view on exposure, earnings amongst others, across the entire group. Your Bank has set up experienced team of 'Structuring Specialists' to support deal structuring for large proposals across lending, bonds, International Banking, and Structured / Mezzanine Finance.

CCG Mar'19 & Mar'20 Levels are as given below:

Levels	(₹ in crore)	
	FY 2019	FY 2020
Non-food Advances	400,909	409,589
CASA Deposit (%)	24.73	26.12
Avg Business per employee	146.69	153.56
Other Income (excluding income from AUCA recovery)	2,619	2,707
Pre -TPM Operating Profit	32,478	32,699

CCG has launched YONO for business customers. This is designed to provide a best in class, user-friendly digital platform for Corporates for transaction banking as well as Trade Finance Business.

The group continues to provide a robust platform to its customers for Trade Finance and Forex business. We are in the process of setting up centralized processing cells (CPCs) to process all trade finance transactions of the Bank. These CPCs will increase efficiencies in a) Delivery – better TAT, information flow and customer satisfaction – b) Regulatory compliance and c) Housekeeping.

Digital Interface on Pricing and Knowledge (DIPAK) a new pricing tool has been made available to Operating functionaries and Sanctioning Committees in order to enable data - driven pricing of our Corporate Loans. This has been rolled out in all the branches in CCG.

B. PROJECT FINANCE AND STRUCTURING SBU

Your Bank's Project Finance and Structuring Strategic Business Unit (PF&S SBU) deals with the appraisal and arrangement of funds for large capex-heavy infrastructural projects, such as in Power, Roads, Ports, Railways, and Airports. It also covers other non-infrastructure capex-heavy projects in industrial sectors such as Metals, Fertilisers, Cement, Oil and Gas, amongst others. PF&S SBU also provides support to other verticals in vetting their large ticket term-loan proposals. To strengthen the policy and regulatory framework for financing infrastructure, your Bank

shares its views as a lender with various Ministries of Government of India and the RBI, on subjects relating to new policies, Model Concession Agreements and broader issues faced within the infrastructure finance space.

Recently, there has been stepping up in investment in the infrastructure sector by the Government, along with various sectoral reforms and incentives, which has resulted in an inflow of new projects, particularly in industries such as City Gas Distribution, Roads, Power Renewables among other sectors. The infrastructure space is expected to experience a further fillip with the introduction of the National Infrastructure Pipeline (NIP) being created with an investment of ₹ 102 lakh crore to support around 6,500 infrastructure projects across sectors. The emergence of COVID-19 is undeniably a human tragedy and is expected to have an impact on all the sectors of the economy. Your Bank is closely monitoring all the projects under implementation and expects to tide over its impact in the short to medium term.

Marking a shift towards a 'Originate to Distribute' business model, a Structuring Team was set up at your Bank's Project Finance and Structuring Strategic Business Unit (PF&S SBU). This team is providing customised structuring solutions for financing of projects, while keeping the Return on Equity from the transaction a priority. Experienced professionals are being recruited from different industries to provide Structuring Solutions to your Bank's clients.