

importance in the contexts of staff side action. Though CVC guidelines provide a clear prescription for determination of vigilance angle or otherwise, yet it is observed that, at times, the same is not understood and acted upon correctly by related functionaries. Therefore, a need is felt for appropriate operational clarity in the area to ensure correct implementation of the guidelines in letter and spirit. With these aims, a Standard Operating Procedure (SOP) is put in place for determination of Vigilance angle strictly based on CVC guidelines.

4. In terms of the existing guidelines of CVC, Internal Advisory Committees (IAC) have been constituted to scrutinise the disciplinary cases with a mandate to determine the existence of Vigilance angle or otherwise therein and extend their correspondence advice to the CVO. At present, a two-tier structure of IACs exists in your Bank, that is, one IAC at Corporate Centre, which scrutinises the disciplinary cases related to all officers of TEGS-VI and above and cases relating to CCG/CAG/IBG/PFSBU and the other IAC each at every Circle to scrutinises the cases related to the officers up to scale-V and award staff at Circles. As IACs are spread across the geographies in your Bank, it is observed at times that interpretive divergences figure and incongruent views arise on the discernibility of vigilance angle even where the lapses under consideration are of similar gravity. In light of this, IACs are centralised at Corporate Centre so that any element of bias in the categorisation of cases as Vigilance or Non-Vigilance could be prevented. An independent and centralised set-up will bring in more objectivity in decision-making and will also impart singular focus in handling the cases that ultimately leads to improved timelines.
5. Vigilance Department has conducted 214 preventive vigilance programmes and trained 4,005 officers. Suo-Motu investigations have been conducted in 764 branches to ensure preventive measures are made effective.

6. During the FY2020, your Bank has introduced a technology-based VCTS (Vigilance Case Tracking System). VCTS application will be able to generate MIS for timely closure of cases. It will also capture the history of cases for analysis of Vigilance matter and to effectively monitor the cases.
7. During the FY2020, a total of 1,993 cases (including 1,278 new cases) were taken up for examination, out of which 1,185 cases have since been closed.

7. ASSET AND LIABILITY MANAGEMENT

Efficient Management of Assets and Liabilities (ALM) is vital for sustainable and qualitative growth of banks. The ALM aims to strengthen the balance sheet by proactively reviewing the market dynamics, capturing the signals emanating from there and assessing the regulatory requirements to ensure value creation.

As part of sound risk management practices, your Bank has been continuously reviewing its internal policies on 'Deposits', 'Asset and Liability Management', 'Stress Test on Liquidity and Interest Rate Risks', 'Contingency Funding Plan' and adapting changes in

the market conditions. Your Bank has been carrying out Reverse Stress Test to take care of the eventual risk that may crop up as a worst-case scenario.

Studies are conducted at regular intervals to assess the behavioural pattern of customers (embedded options available to customers) to give proper treatment to the non-contractual items of assets and liabilities while determining liquidity position. Behavioural analysis is also carried out to ensure accurate positioning of outflows and inflows on account of off-balance sheet exposures, the impact of probable loan losses, amongst others, for reporting of liquidity and interest rate sensitivity statements. The prevailing assumptions relating to non-contractual items of assets and liabilities are periodically updated based on the outcomes of the latest studies.

The stock of High-Quality Liquid Assets (HQLA) and cash outflows are effectively monitored daily under dynamic market environment to ensure the maintenance of LCR as prescribed by the Regulator as well as Bank's ALM Policy benchmarks.

Your Bank has proactively implemented the NSFR guidelines of RBI measuring the long-term resilience of your Bank in terms of liquidity, which is coming into force effective 1st April, 2020.



“कुभकार जीवन को देता आकार” विषय पर बैंक की तिमाही हिंदी गृहपत्रिका “प्रयास” के कुभकार विशेषांक का श्री रजनीश कुमार, अध्यक्ष, स्टेट बैंक समूह तथा प्रबंध निदेशक गण द्वारा विमोचन।

Your Bank has adopted an advanced approach for assessing the impact on Earnings at Risk (EaR) and Market Value of Equity (MVE) with pre-defined tolerance limits that determine the risks associated with them. Also, it enables the Management to initiate appropriate preventive steps in a likely scenario of erosion in Net Interest Income.

To encourage branches to garner stable funds and assess your Bank implemented their profitability based on the cost of funds, a matched maturity-based Funds Transfer Pricing.

The Asset Liability Management Committee (ALCO) of your Bank monitors and manages liquidity and interest rate risks by constantly modulating the asset-liability mix in the balance sheet. ALCO, among other things, reviews the interest rate scenarios, the pattern of growth of liability products, credit growth, competitive advantages, liquidity management, adherence to the regulatory prescriptions and pricing of liabilities and assets from time to time.

To address the inherent rigidities in the balance sheet structure and the issue of quick transmission of changes in RBI's policy rates, effective from 1st May, 2019, your Bank took the lead in linking its pricing of Savings Bank Deposits (with balances above ₹1 lakh) and Short Term Loans (Cash Credit accounts and Overdrafts with limits above ₹1 lakh) to an external benchmark, that is, the policy Repo Rate.

Subsequent to the RBI guidelines on External benchmark-based lending rate, effective from 1st October, 2019, pricing of all floating rate Retail and MSME loans are linked to the external benchmark, that is, the policy repo rate. However, the repo rate linkage of SB deposit rates continues.

The Regulatory Reports/ Returns pertaining to the area of Asset-Liability Management (Domestic Position) have since been automated through OFSAA, and the Whole Bank position is expected to be in place shortly.

8. ETHICS AND BUSINESS CONDUCT

Since the inception of the Ethics and Business Conduct vertical, your Bank has been carrying out a host of initiatives and programs, attuned to permeate and percolate the ethical values and exalted behavioural norms across all levels. Whether it is formulating the basic foundational guiding principles such as the Vision, Mission and Values Statements and the Code of Ethics, or finetuning the existing operational guidelines in the domains of Consequence Management, Prevention of Sexual Harassment (POSH) or the Social Media, to name a few, the core working philosophy of your Bank has always been to be aware, alert and in harmony with the surroundings, both immediate and far. Furthermore, multiple enablers have been being put in place to shape a robust ethical infrastructure in your Bank for greater moral strength. With each passing year, a well thought out strategy to become future-ready has seen a steady and seamless integration of the latest technology platforms in the ongoing programmes and operational processes. This has, in turn, lent a massive impetus to the scope, size and the reach of the various ongoing and proposed ethical outreach initiatives within your Bank.

In FY2020, a comprehensive Ethics and Business Conduct website was developed and made functional to provide a one-stop platform for hosting the vast array of considerably curated ethical resources to facilitate easy accessibility for the benefit of the employees at large. To further encourage the proficiency and efficacy of the Discipline Management Function, several new initiatives and enablers were introduced to increase the efficiency of discipline management ecosystem in your Bank. In was in this context, that real-time and all comprehensive Business Conduct and Discipline Management Online Processing Portal and Dashboard was conceived, designed and operationalised in your Bank. To further augment and supplement the level of knowledge and for providing guidance, a wide array of training programmes, each tailored explicitly for officials working in a particular functional domain of the Discipline Management Framework, were regularly conducted throughout

the year. Reiterating your Bank's zero-tolerance policy in the matters of sexual harassment at workplace and its commitment towards fostering a gender-inclusive and safe work environment, your Bank rearticulated its policy and processes under the Prevention of Sexual Harassment of Women at Workplace as – GARIMA. Furthermore, to streamline and simplify the entire process flow of raising concerns in this regard, a real-time online complaint portal GARIMA was also ideated and operationalised along with the sustained skill-building of the process-owners.

For an organisation of the size and spread of your Bank, imbibing ethical values and building a complementing resonant culture is a long-term work-in-process. However, in its brief journey of three years so far, the honest intents followed with unflinching intensity, have already started yielding visible positive results, which are growing with each passing step and bolstering our brand equity day in and day out.

9. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) is deeply ingrained into the culture of State Bank of India. Your Bank has been actively involved in CSR activities since 1973. The primary purpose of your Bank's CSR philosophy is to make a meaningful and measurable impact to the lives of economically, physically, and socially challenged communities of the country. Your Bank's CSR activities touch the lives of millions of the poor and needy across the length and breadth of the country.

The focus areas of your Bank's CSR activities include Healthcare, Education, Livelihood, Skill Development, Environment Protection of National Heritage, Empowerment of Women, youth, and senior citizens, amongst others.

CSR activities in project mode are implemented through the SBI Foundation, the CSR wing of State Bank of India established in 2015 with a vision of becoming a premier CSR institution in India through your Bank's tradition of "Service Beyond Banking". During the last four years of its existence, SBI