

## PILLAR 3 DISCLOSURES (CONSOLIDATED) AS ON 31.03.2021

### DF-1: SCOPE OF APPLICATION

State Bank of India is the parent company to which the Basel III Framework applies. The consolidated financial statements of the group conform to Generally Accepted Accounting Principles (GAAP) in India which comprises the statutory provisions, Regulatory/Reserve Bank of India (RBI) guidelines, Accounting Standards/guidance notes issued by the ICAI.

**(i) Qualitative Disclosures:**

**a) List of group entities considered for consolidation for the period ended 31.03.2021**

The following subsidiaries, joint ventures and associates are considered for the preparation of consolidated financial statements of SBI Group.

| Sr. No. | Name of the entity             | Country of incorporation | Whether the entity is included under accounting scope of consolidation (yes / no) | Explain the method of consolidation | Whether the entity is included under regulatory scope of consolidation (yes / no) | Explain the method of consolidation | Explain the reasons for difference in the method of consolidation | Explain the reasons if consolidated under only one of the scopes of consolidation |
|---------|--------------------------------|--------------------------|---|-------------------------------------|---|-------------------------------------|---|---|
| 1       | SBI Capital Markets Ltd.       | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 2       | SBICAP Securities Ltd.         | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 3       | SBICAP Ventures Ltd.           | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 4       | SBICAP Trustee Company Ltd.    | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 5       | SBICAP (Singapore) Ltd.        | Singapore                | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 6       | SBI DFHI Ltd.                  | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 7       | SBI Payment Services Pvt. Ltd. | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 8       | SBI Global Factors Ltd.        | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 9       | SBI Pension Funds Pvt Ltd.     | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |

| Sr. No. | Name of the entity                                 | Country of incorporation | Whether the entity is included under accounting scope of consolidation (yes / no) | Explain the method of consolidation | Whether the entity is included under regulatory scope of consolidation (yes / no) | Explain the method of consolidation | Explain the reasons for difference in the method of consolidation | Explain the reasons if consolidated under only one of the scopes of consolidation |
|---------|--|--------------------------|---|-------------------------------------|---|-------------------------------------|---|---|
| 10      | SBI –SG Global Securities Services Pvt. Ltd.       | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 11      | SBI Mutual Fund Trustee Company Pvt Ltd.           | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 12      | SBI Funds Management Pvt. Ltd.                     | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 13      | SBI Funds Management (International ) Private Ltd. | Mauritius                | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 14      | SBI Cards and Payment Services Ltd.                | India                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 15      | State Bank of India (California)                   | USA                      | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 16      | SBI Canada Bank                                    | Canada                   | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 17      | Commercial Indo Bank Llc, Moscow                   | Russia                   | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 18      | SBI (Mauritius) Ltd.                               | Mauritius                | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 19      | PT Bank SBI Indonesia                              | Indonesia                | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 20      | Nepal SBI Bank Ltd.                                | Nepal                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 21      | Nepal SBI Merchant Banking Ltd.                    | Nepal                    | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 22      | Bank SBI Botswana Ltd.                             | Botswana                 | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 23      | State Bank of India                                | Brazil                   | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |

| Sr. No. | Name of the entity                                | Country of incorporation | Whether the entity is included under accounting scope of consolidation (yes / no) | Explain the method of consolidation | Whether the entity is included under regulatory scope of consolidation (yes / no) | Explain the method of consolidation | Explain the reasons for difference in the method of consolidation | Explain the reasons if consolidated under only one of the scopes of consolidation |
|---------|---|--------------------------|---|-------------------------------------|---|-------------------------------------|---|---|
|         | Servicos Limitada                                 |                          |   |                                     |   |                                     |   |   |
| 24      | State Bank of India (UK) Limited                  | UK                       | Yes   | Consolidated as per AS 21           | Yes   | Consolidated as per AS 21           | Not applicable  | Not applicable  |
| 25      | SBI Infra Management Solutions Private Limited    | India                    | Yes   | Consolidated as per AS 21           | No  | Not applicable                      | Not applicable  | Non-financial Subsidiary: Not under scope of Regulatory Consolidation             |
| 26      | SBI Life Insurance Company Ltd.                   | India                    | Yes   | Consolidated as per AS 21           | No  | Not applicable                      | Not applicable  | Insurance Joint Venture: Not under scope of Regulatory Consolidation              |
| 27      | SBI General Insurance Company Ltd.                | India                    | Yes   | Consolidated as per AS 21           | No  | Not applicable                      | Not applicable  | Insurance Joint Venture: Not under scope of Regulatory Consolidation              |
| 28      | C - Edge Technologies Ltd.                        | India                    | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Non-financial Joint Venture: Not under scope of Regulatory Consolidation          |
| 29      | SBI Macquarie Infrastructure Management Pvt. Ltd. | India                    | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Joint Venture: Not under scope of Regulatory Consolidation                        |
| 30      | SBI Macquarie Infrastructure Trustee Pvt. Ltd.    | India                    | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Non-financial Joint Venture: Not under scope of Regulatory Consolidation          |
| 31      | Macquarie SBI Infrastructure Management Pte. Ltd. | Singapore                | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Joint Venture: Not under scope of Regulatory Consolidation                        |

| Sr. No. | Name of the entity  | Country of incorporation | Whether the entity is included under accounting scope of consolidation (yes / no) | Explain the method of consolidation | Whether the entity is included under regulatory scope of consolidation (yes / no) | Explain the method of consolidation | Explain the reasons for difference in the method of consolidation | Explain the reasons if consolidated under only one of the scopes of consolidation |
|---------|---|--------------------------|---|-------------------------------------|---|-------------------------------------|---|---|
| 32      | Macquarie SBI Infrastructure Trustee Ltd.                       | Bermuda                  | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Joint Venture: Not under scope of Regulatory Consolidation                        |
| 33      | Oman India Joint Investment Fund – Management Company Pvt. Ltd. | India                    | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Joint Venture: Not under scope of Regulatory Consolidation                        |
| 34      | Oman India Joint Investment Fund – Trustee Company Pvt. Ltd.    | India                    | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Joint Venture: Not under scope of Regulatory Consolidation                        |
| 35      | Jio Payments Bank Limited                                       | India                    | Yes   | Consolidated as per AS 27           | No  | Not applicable                      | Not applicable  | Joint Venture: Not under scope of Regulatory Consolidation                        |
| 36      | Andhra Pradesh Grameena Vikas Bank                              | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 37      | Arunachal Pradesh Rural Bank                                    | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 38      | Chhattisgarh Rajya Gramin Bank                                  | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 39      | Ellaquai Dehati Bank  | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 40      | Meghalaya Rural Bank  | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of   |

| Sr. No. | Name of the entity              | Country of incorporation | Whether the entity is included under accounting scope of consolidation (yes / no) | Explain the method of consolidation | Whether the entity is included under regulatory scope of consolidation (yes / no) | Explain the method of consolidation | Explain the reasons for difference in the method of consolidation | Explain the reasons if consolidated under only one of the scopes of consolidation |
|---------|---------------------------------|--------------------------|---|-------------------------------------|---|-------------------------------------|---|---|
|         |                                 |                          |   |                                     |   |                                     |   | Regulatory Consolidation  |
| 41      | Madhyanchal Gramin Bank         | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 42      | Mizoram Rural Bank              | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 43      | Nagaland Rural Bank             | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 44      | Utkal Grameen Bank              | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 45      | Uttarakhand Gramin Bank         | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 46      | Jharkhand Rajya Gramin Bank     | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 47      | Saurashtra Gramin Bank          | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 48      | Rajasthan Marudhara Gramin Bank | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 49      | Telangana Grameena Bank         | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of   |

| Sr. No. | Name of the entity                     | Country of incorporation | Whether the entity is included under accounting scope of consolidation (yes / no) | Explain the method of consolidation | Whether the entity is included under regulatory scope of consolidation (yes / no) | Explain the method of consolidation | Explain the reasons for difference in the method of consolidation | Explain the reasons if consolidated under only one of the scopes of consolidation |
|---------|--|--------------------------|---|-------------------------------------|---|-------------------------------------|---|---|
|         |  |                          |   |                                     |   |                                     |   | Regulatory Consolidation  |
| 50      | The Clearing Corporation of India Ltd. | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 51      | Yes Bank Ltd.                          | India                    | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |
| 52      | Bank of Bhutan Ltd.                    | Bhutan                   | Yes   | Consolidated as per AS 23           | No  | Not applicable                      | Not applicable  | Associate: Not under scope of Regulatory Consolidation                            |

**b. List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation as on 31.03.2021**

*(Rs. in Crores)*

| Sr. No. | Name of the entity    | Country of incorporation | Principle activity of the entity  | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) | % of bank's holding in the total equity | Regulatory treatment of bank's investments in the capital instruments of the entity | Total balance sheet assets (as stated in the accounting balance sheet of the legal entity) |
|---------|-----------------------|--------------------------|---|--|---|---|--|
| 1       | SBI Foundation        | India                    | A Not-for-Profit Company to focus on Corporate Social Responsibility (CSR) Activities | 82.22  | 99.72%                                  |   | 82.48  |
| 2       | SBI Home Finance Ltd. | India                    | Under winding up  | N.A.   | 25.05%                                  |   | N.A.   |

**(ii) Quantitative Disclosures:****c. List of group entities considered for regulatory consolidation as on 31.03.2021**

Following is the list of group entities considered under regulatory scope of consolidation:

(Rs. in Crores)

| Sr. No. | Name of the entity                  | Country of incorporation | Principle activity of the entity  | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) \$# | Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)# |
|---------|-------------------------------------|--------------------------|---|--|---|
| 1       | SBI Capital Markets Ltd             | India                    | Merchant Banking and Advisory Services  | 2,172.66   | 2,247.42  |
| 2       | SBICAP Securities Ltd               | India                    | Securities Broking & its allied services and third party distribution of financial products | 567.78   | 942.19  |
| 3       | SBICAP Trustee Company Ltd          | India                    | Corporate Trusteeship Activities  | 131.52   | 138.56  |
| 4       | SBICAPS Ventures Ltd                | India                    | Asset Management Company for Venture Capital Fund   | 111.20   | 119.49  |
| 5       | SBICAP (Singapore) Ltd              | Singapore                | Business & management Consultancy Services  | 59.41  | 60.24   |
| 6       | SBI DFHI Ltd                        | India                    | Primary Dealer in Govt. Securities  | 1,232.88   | 9,807.69  |
| 7       | SBI Mutual Fund Trustee Co. Pvt Ltd | India                    | Trusteeship Services to schemes floated by SBI Mutual Fund                                  | 34.92  | 35.02   |
| 8       | SBI Global Factors Ltd              | India                    | Factoring Activities  | 345.50   | 1317.13   |
| 9       | SBI Pension Funds Pvt Ltd           | India                    | Management of assets of NPS Trust allocated to them   | 44.14  | 45.70   |
| 10      | SBI Payments Services Pvt Ltd       | India                    | Payment Solution Services   | 1,435.16   | 1,596.15  |
| 11      | SBI Funds Management Pvt Ltd        | India                    | Asset Management Services to schemes floated by SBI Mutual Fund                             | 2,403.23   | 2,573.31  |
| 12      | SBI Funds Mgt. (International) Ltd  | Mauritius                | Investment Management Services  | 1.00   | 2.57  |

| Sr. No. | Name of the entity                        | Country of incorporation | Principle activity of the entity       | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) \$# | Total balance sheet assets (as stated in the accounting balance sheet of the legal entity)# |
|---------|---|--------------------------|--|--|---|
| 13      | SBI Cards & Payment Ser. Pvt Ltd          | India                    | Credit Cards Business                  | 5,799.43   | 26,815.50   |
| 14      | SBI-SG Global Securities Services P. Ltd. | India                    | Custody and Fund accounting services   | 287.24   | 1,183.26  |
| 15      | State Bank of India (California)          | USA                      | Banking Services                       | 1,085.28   | 6,484.90  |
| 16      | SBI Canada Bank                           | Canada                   | Banking Services                       | 937.40   | 7,604.08  |
| 17      | Commercial Indo Bank Llc, Moscow          | Russia                   | Banking Services                       | 219.48   | 683.10  |
| 18      | SBI (Mauritius) Ltd                       | Mauritius                | Banking Services                       | 1,100.69   | 6,926.68  |
| 19      | PT Bank SBI Indonesia                     | Indonesia                | Banking Services                       | 736.99   | 2,760.29  |
| 20      | Nepal SBI Bank Ltd                        | Nepal                    | Banking Services                       | 969.20   | 8,781.55  |
| 21      | State Bank of India (UK) Limited          | UK                       | Banking Services                       | 2,461.04   | 17,750.59   |
| 22      | Bank SBI Botswana Ltd.                    | Botswana                 | Banking Services                       | 75.69  | 81.44   |
| 23      | State Bank of Servicos Limitada, Brazil   | Brazil                   | Representative Office Services         | 1.58   | 1.65  |
| 24      | Nepal SBI Merchant Banking Ltd.           | Nepal                    | Merchant Banking and Advisory Services | 15.66  | 16.63   |

\$ Comprises of Equity Capital and Reserve & Surplus

# In case of domestic entities as per IGAAP and in case of overseas entities as per respective local regulations

**(d) The aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation i.e. that are deducted:**

| Name of the Subsidiaries/Country of incorporation | Principle activity of the entity | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) | % of Bank's holding in the total equity | Capital Deficiency |
|---|----------------------------------|--|---|--------------------|
|   |                                  |  |   |                    |
|   |                                  | <b>NIL</b>   |   |                    |
|   |                                  |  |   |                    |



(e) The aggregate amount (e.g. current book value) of the Bank's total interests in Insurance entities, which are risk weighted:

(Rs. in crores)

| Name of the Insurance entities/Country of incorporation | Face Value | Book Value | Market Value | RWA    | Principle activity of the entity | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) | % of Bank's holding in the total equity | Quantitative impact on regulatory capital of using risk weighting method Vs using the full deduction method |
|---|------------|------------|--------------|--------|----------------------------------|--|---|---|
| GENERAL INSURANCE CORPORATION OF INDIA                  | 3.94       | 358.35     | 157.25       | -      | Insurance                        | 877.20   | 0.45%                                   | Insignificant impact with either method   |
| HDFC STANDARD LIFE INSURANCE COMPANY LIMITED            | 0.43       | 29.22      | 29.74        | 75.27  | Insurance                        | 2020.94  | 0.02%                                   | Insignificant impact with either method   |
| ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED         | 0.27       | 39.78      | 38.49        | 97.38  | Insurance                        | 454.59   | 0.06%                                   | Insignificant impact with either method   |
| ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED         | 1.08       | 50.67      | 48.17        | 121.93 | Insurance                        | 1435.96  | 0.08%                                   | Insignificant impact with either method   |

**(f) Any restrictions or impediments on transfer of funds or regulatory capital within banking group:**

**Overseas Banking Subsidiaries**

| <b>Subsidiaries</b>              | <b>Restrictions</b>  |
|----------------------------------|--|
| SBI California                   | As per regulations, the only way to transfer capital to parent bank is to pay dividends or buyback shares or capital repatriation to parent bank.  |
| SBI Canada                       | Prior permission from the regulatory (OSFI) before transferring any type of capital (equity or debt) to parent bank.   |
| Bank SBI Botswana Ltd.           | Only after permission of the Bank of Botswana the transfer of regulatory capital within the banking group/Group company is allowed. The same to be approved by the Board with Statutory Auditor certificate for the capital maintained by the bank on date.  |
| SBI Mauritius Ltd.               | <p>There are regulatory restrictions for the reduction of the Bank's capital to be paid back to the shareholders including the parent bank. Any reduction in capital can be made either through payment of dividend or reduction in stated capital as provided in the banking act and the companies Act of Mauritius. The amount to be paid is subject to SBIML maintaining adequate capital and the liquidity ratio as per the regulatory requirements.</p> <p>(a) The central bank shall not grant, and no bank shall hold, a banking license unless it maintains and continues to maintain in Mauritius, an amount paid as stated capital or an amount of assigned capital or not less than MUR 400 million rupees of the equivalent.</p> <p>(b) Every bank shall maintain in Mauritius, capital of not less than 10 per cent, or such higher ratio as may be determined by the central bank, of such of that bank's risk assets and of other types of risks.</p> |
| Bank SBI Indonesia               | The Bank maintains a minimum regulatory capital to be able to operate as a Book II bank as well as a forex bank. However, transfer of funds as dividend to parent bank is allowed after generation of sufficient profit.   |
| Nepal SBI Bank Ltd.              | Under the laws of Nepal, Assets and Liabilities of the Company are exclusive and non-transferable. Hence, the transfer of funds or regulatory capital within the banking group is not possible.  |
| CIBL                             | There are no restrictions or impediments on transfer of funds or regulatory capital within the banking group.  |
| State Bank of India (UK) Limited | Excess capital beyond the regulatory minimum can be paid back to the parent (via dividends or reduced capital) along with the approval of SBI UK Board and PRA. This will be based on the projected growth plans of SBI UK Limited and its capital requirements.   |

### Non-Banking Subsidiaries

| <b>Subsidiaries</b>               | <b>Restrictions</b>   |
|-----------------------------------|---|
| SBI Life Insurance Ltd.           | As per regulations, the only way to transfer capital to parent bank is to pay dividends in accordance with Section 49 of Insurance Act, 1938.   |
| SBI General Insurance Co. Ltd.    | Solvency ratio of 1.7 to be always maintained by the company, as mandated by Company board. Capital transfer will not be allowed if this limit is breached.   |
| SBI Cards & Payment Services Ltd. | SBI Card can return share capital to SBI only by way of buy back of shares in accordance with the provisions of Companies Act, SEBI and RBI regulations.  |
| SBI Funds Mgmt. Pvt. Ltd.         | <p>Any action of the Company in terms of dividend, capital changes, share buy-back, issuances or allotments, etc are covered in the JV agreement either directly or indirectly. The JV agreement provides that for all such action affirmative vote of at least one associate director of Amundi and SBI on the Board will be required.</p> <p>In terms of Companies Act too approval from the Board and shareholders will be a pre-requisite.</p>  |
| SBI Capital Markets Ltd.          | <p>Transfer of capital from SBICAP to the parent SBI, would be subject to the below:</p> <ol style="list-style-type: none"> <li>1. (a) As per SEBI Merchant Bankers Regulations 1992, a category I Merchant Banker requires a minimum Net worth of Rs. 5 crores. Further if any Transfer of funds leads to change in control approval from SEBI shall be required.</li> <li style="padding-left: 20px;">(b) As per SEBI (Research Analyst) Regulations, 2014, a research analyst who is a body corporate requires a Network of Rs. 25 lakhs. Further if any Transfer of funds leads to change in control approval from SEBI shall be required.</li> <li>2. Article 60 of AOA of SBICAP provides that Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.</li> <li>3. SBICAP has an internal Risk policy of maintaining a minimum CAR of 15.00%.</li> </ol> <p>All of the above would be subject, of course, to the Approval of the Board of SBICAP.</p> |
| SBI Global Factors Ltd.           | As per regulations, the only way to transfer capital to parent bank is to pay dividends or buyback shares. There are regulatory restrictions for the reduction of the Company's capital to be paid back to the shareholders including the parent. Any reduction in capital can be made either through payment of dividend or reduction in stated capital as provided in the RBI Guidelines and the Companies Act. The amount to be paid is subject to maintaining adequate capital and the liquidity ratio as per the regulatory requirements.  |

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|--|--|
|  | <p>a. A Company cannot hold NBFC-Factors license unless it maintains and continues to maintain, an amount paid as Net Owned Funds.</p> <p>b. Every NBFC shall maintain, capital of not less than 15% of its aggregated risk weighted assets (Tier I plus Tier II Capital, Tier I capital should not be less than 10%) on balance sheet and of risk adjusted value of off-balance sheet items, or such higher ratio as may be determined by the central bank.</p> <p>c. Every company registered as NBFC- Factors shall maintain minimum Net Owned Fund (NOF) of Rs. 5 crores as required by Factoring Regulations Act, 2011.</p> <p>d. Companies Act also stipulates some conditions for transfer of capital by way of buy-back of shares or distribution as dividends.</p> <p>There are no specific restrictions on transfer of funds or regulatory capital in Articles of Association of the Company.</p> <p>In case of excess capital beyond the regulatory minimum requirement, can be paid back to the parent (via dividends or reduced capital) with the approval of Board and the Regulator. This will be based on the projected growth plans and its capital requirements.</p>             |
| SBI-SG Global Securities Services Ltd. | <p>The transfer of capital would be subject to maintenance of Minimum Regulatory Net worth of INR 500 million prescribed by SEBI. Apart from this company as per the Board is required to maintain Charge on Capital of INR100million (as on 31.03.21) for Operational Risk which is calculated as per Standardized Approach of Basel II.</p> <p>Transfer can be achieved through issue of new shares (other than shares issued on a rights basis or in a subsequent placement), creation of option or warrants, creating new classes of shares, buy backs/ redemption/repurchase, splits, issuance of convertible debt, bonuses, lien or encumbrances or debt restructure involving conversion into equity which would be anti-dilutive for the parties and/or their rights as equity shareholders and declaration of dividend by the company.</p>  |
| SBI DFHI Ltd.                          | <p>The capital can be transferred to the parent bank by way of dividends or buyback shares. The RBI instructions for Standalone Primary Dealers (SPD) in this regard are as under:</p> <ul style="list-style-type: none"> <li>• Any change in the shareholding pattern / capital structure of a SPD shall need prior approval of RBI.</li> <li>• SPDs are required to maintain a minimum Capital to Risk-Weighted Assets Ratio (CRAR) of 15 per cent on an ongoing basis.</li> </ul> <p>SPDs shall follow the following guidelines while declaring dividend distribution:</p> <ul style="list-style-type: none"> <li>• The SPD shall have complied with the regulations on transfer of profits to statutory reserves and the regulatory guidelines relating to provisioning and valuation of securities, etc.</li> <li>• SPDs having CRAR below the regulatory minimum of 15 per cent in any of the previous four quarters shall not declare any dividend. For SPDs having CRAR at or above the regulatory minimum of 15 per cent during all the four quarters of the previous year, but lower than 20 per cent in any of the four quarters, the dividend pay-out ratio (DPR) shall not</li> </ul> |

|                             |  |
|-----------------------------|--|
|                             | <p>exceed 33.3 per cent. For SPDs having CRAR at 20 per cent or above during all the four quarters of the previous year, the DPR shall not exceed 50 per cent. DPR shall be calculated as a percentage of dividend payable in a year (excluding dividend tax) to net profit during the year.</p> <ul style="list-style-type: none"> <li>• The proposed dividend shall be payable out of the current year's profits. In case the profit for the relevant period includes any extraordinary income, the pay-out ratio shall be computed after excluding such extraordinary items for reckoning compliance with the prudential pay-out ratio ceiling.</li> <li>• The financial statements pertaining to the financial year for which the SPD is declaring dividend shall be free of any qualifications by the statutory auditors, which have an adverse bearing on the profit during that year. In case of any qualification to that effect, the net profit shall be suitably adjusted downward while computing the DPR</li> <li>• In case there are special reasons or difficulties for any SPD in strictly adhering to the guidelines, it shall approach RBI in advance for an appropriate adhoc dispensation in this regard.</li> </ul>  |
| SBI Pension Funds Pvt. Ltd. | <p>There are no regulatory restrictions from PFRDA/ Companies Act, 2013 for transfer of capital to parent bank through dividends or buyback shares or capital repatriation to parent bank.</p> <p>The Only criteria is that the Company should maintain minimum net worth of Rs. 25/ 50 crores and shall fulfil the minimum eligibility criteria of the Pension Fund i.e. Reg 8 (d) the sponsor shall have profits after tax in at least three of the preceding five financial years and further that there shall be no cash loss in the last preceding five years.</p> <p>Further, as per Regulation J, any change in management, ownership, shareholding pattern or controlling interest of sponsor of the pension fund exceeding one per cent. but less than five per cent. of the paid-up capital of the sponsor or pension fund in a financial year, shall be informed to the Authority within fifteen days of the occurrence of such change.</p> <p>Provided that no change in excess of five per cent. or more of the paid-up capital of the sponsor or the pension fund, in any financial year, shall be made without prior approval of the Authority.</p> <p>The Capital can be paid to the parent with the Board and Shareholders approval and fulfilling the PFRDA regulations &amp; the provisions of the Companies Act, 2013.</p> |
| Jio Payments Bank Ltd.      | <p>The clause in the Subscription and Shareholders' Agreement w.r.t. 'lock-in' has been extracted and mentioned below: (CLAUSE 22.1.2)</p> <p>"Subject to Clause 22.2 (Transfer to Associated Companies), SBI may not Transfer any of its Shares or any interest in any of its Shares to any person prior to the fifth year anniversary from the date of application to the RBI for the grant of the final license for the "Payment Bank" or such other date as may be allowed by the RBI on an application made to the RBI as required under clause 7.5.2 (Commencement of Business), Clause 7.8.1 (Development of business), Clause 10.4.2 (Business Plan Deadlock) and Clause 22.3 (Transfer to a third party) and Clause 23.7.2 (ii) (Other breaches of the Agreement) (the "SBI Lock-in Period')."</p>  |

## DF-2 – CAPITAL ADEQUACY

As on 31.03.2021

### Qualitative Disclosures

|   |   |
|---|---|
| <p>(a) A summary discussion of the Bank's approach to assessing the adequacy of its capital to support current and future activities</p>  | <ul style="list-style-type: none"> <li>• The Bank and its Banking Subsidiaries undertake the Internal Capital Adequacy Assessment Process (ICAAP) on an annual basis in line with the New Capital Adequacy Framework (NCAF) Guidelines of RBI. The ICAAP details the capital planning process and carries out an assessment covering measurement, monitoring, internal controls, reporting, capital requirement and stress testing of the following Risks: <ul style="list-style-type: none"> <li>➤ Credit Risk</li> <li>➤ Operational Risk</li> <li>➤ Liquidity Risk</li> <li>➤ Compliance Risk</li> <li>➤ Pension Fund Obligation Risk</li> <li>➤ Reputation Risk</li> <li>➤ Residual Risk from Credit Risk Mitigants</li> <li>➤ Talent Risk</li> <li>➤ Other than above Risks</li> <li>➤ Market Risk</li> <li>➤ Credit Concentration Risk</li> <li>➤ Interest Rate Risk in the Banking Book</li> <li>➤ Country Risk</li> <li>➤ Strategic Risk</li> <li>➤ Model Risk</li> <li>➤ Contagion Risk</li> <li>➤ Cyber Risk</li> <li>➤ Underwriting Risk</li> </ul> </li> <li>• Sensitivity Analysis is conducted annually or more frequently as required, on the movement of Capital Adequacy Ratio (CAR) in the medium horizon of 3 to 5 years, considering the projected investment in Subsidiaries / Joint Ventures by SBI and growth in Advances by SBI and its Subsidiaries (Domestic / Foreign). This analysis is done for the SBI and SBI Group separately.</li> <li>• CRAR of the Bank and for the Group as a whole is estimated to be well above the Regulatory CAR in the medium horizon of 3 to 5 years. However, to maintain adequate capital, the Bank has options to augment its capital resources by raising Subordinated Debt, Perpetual Cumulative Preference Shares (PCPS), Redeemable Non-Cumulative Preference Shares (RNCPS), Redeemable Cumulative Preference Shares (RCPS), Perpetual Debt Instruments (PDIs) and Perpetual Non-Cumulative Preference Shares (PNCPS) besides Equity as and when required.</li> <li>• Strategic Capital Plan for the Foreign Subsidiaries covers an assessment of capital requirement for growth of assets and the capital required complying with various local regulatory requirements and prudential norms. The growth plan is approved by the parent bank after satisfying itself about the capacity of the individual subsidiaries to raise CET 1 / AT 1 / Tier 2 Capital to support the increased level of assets and at the same time maintaining the Capital Adequacy Ratio (CAR).</li> </ul> |
| <p><b>Quantitative Disclosures</b><br/> (b) Capital requirements for credit risk:</p> <ul style="list-style-type: none"> <li>▪ Portfolios subject to standardized approach</li> <li>▪ Securitization exposures</li> </ul> | <p>→ Rs. 1,66,252.02 crores</p> <p>→ Nil</p> <p>.....</p> <p><b>Total Rs. 1,66,252.02 crores</b></p>  |

|   |   |
|---|---|
| <p>(c) Capital requirements for market risk:</p> <ul style="list-style-type: none"> <li>▪ Standardized duration approach; <ul style="list-style-type: none"> <li>- Interest Rate Risk</li> <li>- Foreign Exchange Risk (including gold)</li> <li>- Equity Risk</li> </ul> </li> </ul> | <p>→ Rs. 13,789.64 crores</p> <p>→ Rs. 171.23 crores</p> <p>→ Rs. 7,514.91 crores</p> <p>.....</p> <p><b>Total Rs. 21,475.78 crores</b></p> |
| <p>(d) Capital requirements for operational risk:</p> <ul style="list-style-type: none"> <li>• Basic Indicator Approach</li> <li>• The Standardized Approach (if applicable)</li> </ul>   | <p>→ Rs. 21,366.36 crores</p> <p>NA</p> <p>.....</p> <p><b>Total Rs. 21,366.36 crores</b></p>   |

|  |   |           |            |           |
|--|---|-----------|------------|-----------|
| <p>(e) Common Equity Tier 1, Tier 1 and Total Capital Ratios:</p> <ul style="list-style-type: none"> <li>• For the top consolidated group; and</li> <li>• For significant bank subsidiaries (stand alone or sub-consolidated depending on how the Framework is applied)</li> </ul> | <b>CAPITAL ADEQUACY RATIOS AS ON 31.03.2021</b> |           |            |           |
|  |   | CET 1 (%) | Tier 1 (%) | Total (%) |
|  | SBI Group                                       | 10.33     | 11.70      | 13.97     |
|  | State Bank of India                             | 10.02     | 11.44      | 13.74     |
|  | SBI (Mauritius) Ltd.                            | 19.54     | 19.54      | 20.44     |
|  | State Bank of India (Canada)                    | 13.97     | 13.97      | 15.70     |
|  | State Bank of India (California)                | 15.28     | 15.28      | 16.45     |
|  | Commercial Indo Bank LLC, Moscow                | 56.31     | 56.31      | 56.31     |
|  | Bank SBI Indonesia                              | 45.20     | 45.20      | 46.21     |
|  | Nepal SBI Bank Ltd.                             | 13.34     | 13.34      | 16.28     |
|  | Bank SBI Botswana Ltd.                          | 58.53     | 58.53      | 58.76     |
| SBI (UK) Ltd.  | 17.78   | 17.78     | 18.09      |           |

## **DF-3: CREDIT RISK: GENERAL DISCLOSURES**

**As on 31.03.2021**

### **General Disclosures**

#### **a. Qualitative Disclosures**

##### **▪ Definitions of past due and impaired assets (for accounting purposes)**

##### **Non-performing assets**

An asset becomes non-performing when it ceases to generate income for the Bank. As from 31st March 2006, a non-performing Asset (NPA) is an advance where

- (i) Interest and/or instalment of principal remain 'overdue' for a period of more than 90 days in respect of a Term Loan
- (ii) The account remains 'out of order' for a period of more than 90 days, in respect of an Overdraft/Cash Credit (OD/CC)
- (iii) The bill remains 'overdue' for a period of more than 90 days in the case of bills purchased and discounted
- (iv) Any amount to be received remains 'overdue' for a period of more than 90 days in respect of other accounts
- (v) A loan granted for short duration crops is treated as NPA, if the instalment of principal or interest thereon remains overdue for two crop seasons and a loan granted for long duration crops is treated as NPA, if instalment of principal or interest thereon remains overdue for one crop season
- (vi) An account would be classified as NPA only if the interest charged during any quarter is not serviced fully within 90 days from the end of the quarter.
- (vii) The amount of a liquidity facility remains outstanding for more than 90 days, in respect of securitization transactions undertaken in accordance with the RBI guidelines on securitization dated February 1, 2006.
- (viii) In respect of derivative transactions, the overdue receivables representing the positive mark to market value of a derivative contract, remain unpaid for a period of 90 days from the specified due date for payment.

##### **'Out of Order' status**

An account is treated as 'out of order' if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power.

In cases where the outstanding balance in the principal operating account is less than the sanctioned limit/drawing power, but there are no credits continuously for 90 days as on the date of Bank's Balance Sheet, or where credits are not enough to cover the interest debited during the same period, such accounts are treated as 'out of order'.

##### **'Overdue'**

Any amount due to the Bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the Bank.



▪ **Resolution of Stressed Assets**

Early identification and reporting of stress:

Identification of incipient stress in loan accounts, immediately on default\*, by classifying stressed assets as special mention accounts (SMA) as per the following categories:

| SMA Sub-categories | Basis for classification – Principal or interest payment or any other amount wholly or partly overdue between |
|--------------------|---|
| SMA-0              | 1-30 days   |
| SMA-1              | 31-60 days  |
| SMA-2              | 61-90 days  |

\* Default' means non-payment of debt when whole or any part or instalment of the amount of debt has become due and payable and is not repaid by the debtor or the corporate debtor. For revolving facilities like cash credit, default would also mean, without prejudice to the above, the outstanding balance remaining continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than 30 days.

▪ **Discussion of the Bank's Credit Risk Management Policy**

The Bank has an integrated Credit Risk Management, Credit Risk Mitigation and Collateral Management Policy in place which is reviewed annually. Over the years, the policy & procedures in this regard have been refined as a result of evolving concepts and actual experience. The policy and procedures have been aligned to the approach laid down in Basel-II and RBI guidelines.

Credit Risk Management encompasses identification, assessment, measurement, monitoring and control of the credit risk in exposures.

In the processes of identification and assessment of Credit Risk, the following functions are undertaken:

- (i) Developing and refining the Credit Risk Assessment (CRA) Models/Scoring Models to assess the Counterparty Risk, by taking into account the various risks categorized broadly into Financial, Business, Industrial and Management Risks, each of which is scored separately.
- (ii) Conducting industry research to give specific policy prescriptions and setting quantitative exposure parameters for handling portfolio in large / important industries, by issuing advisories on the general outlook for the Industries / Sectors, from time to time.

The measurement of Credit Risk involves computation of Credit Risk Components viz Probability of Default (PD), Loss Given Default (LGD) and Exposure At Default (EAD).

The monitoring and control of Credit Risk includes setting up exposure limits to achieve a well-diversified portfolio across dimensions such as single borrower, group borrower and industries. For better risk management and avoidance of concentration of Credit Risks, internal guidelines on prudential exposure norms in respect of individual companies, group companies, Banks, individual borrowers, non-corporate entities, sensitive sectors such as capital market, real estate, sensitive commodities, etc., are in place. Credit Risk Stress Tests are conducted at half yearly interval to identify vulnerable areas for initiating corrective action, where necessary.

The Bank has also a Loan Policy which aims at continued improvement of the overall quality of assets at the portfolio level, by establishing a commonality of approach regarding credit basics, appraisal skills, documentation standards and awareness of institutional concerns and strategies, while leaving enough room for flexibility and innovation

The Bank has processes and controls in place in regard to various aspects of Credit Risk Management such as appraisal, pricing, credit approval authority, documentation, reporting and monitoring, review and renewal of credit facilities, management of problem loans, credit monitoring, etc. The Bank also has a system of Credit Audit with the aims of achieving continuous improvement in the quality of the credit portfolio with exposure of Rs. 20 cr. and above. Credit Audit covers audit of credit sanction decisions at various levels. Both the pre-sanction process and post-sanction position are examined as a part of the Credit Audit System. Credit Audit also examines identified Risks and suggests Risk Mitigation Measures.

### DF-3: Quantitative Disclosures as on 31.03.2021

(Insurance entities, JVs & Non-financial entities excluded)

| General Disclosures:     |   | Rs. in crores             |                |            |
|--------------------------|---|---------------------------|----------------|------------|
| Quantitative Disclosures |   | Fund Based                | Non-Fund Based | Total      |
| b                        | Total Gross Credit Risk Exposures   | 2591605.54                | 471140.72      | 3062746.26 |
| c                        | Geographic Distribution of Exposures: FB / NFB  |                           |                |            |
|                          | Overseas  | 375153.85                 | 63425.29       | 438579.14  |
|                          | Domestic  | 2216451.69                | 407715.43      | 2624167.12 |
| d                        | Industry Type Distribution of Exposures<br>Fund based / Non-Fund Based separately   | Please refer to Table "A" |                |            |
| e                        | Residual Contractual Maturity Breakdown of Assets   | Please refer to Table "B" |                |            |
| f                        | Amount of NPAs (Gross) i.e. Sum of (i to v)   |                           |                | 128168.54  |
|                          | i. Substandard  |                           |                | 20152.60   |
|                          | ii. Doubtful 1  |                           |                | 31628.02   |
|                          | iii. Doubtful 2   |                           |                | 26732.43   |
|                          | iv. Doubtful 3  |                           |                | 24486.76   |
|                          | v. Loss   |                           |                | 25168.73   |
| g                        | Net NPAs  |                           |                | 37119.10   |
| h                        | NPA Ratios  |                           |                |            |
|                          | i) Gross NPAs to gross advances   |                           |                | 4.95%      |
|                          | ii) Net NPAs to net advances  |                           |                | 1.48%      |
| i                        | Movement of NPAs (Gross)  |                           |                |            |
|                          | i) Opening balance  |                           |                | 150130.72  |
|                          | ii) Additions   |                           |                | 30717.40   |
|                          | iii) Reductions   |                           |                | 52679.58   |
|                          | iv) Closing balance   |                           |                | 128168.54  |
| j                        | Movement of provisions for NPAs   |                           |                |            |
|                          | i) Opening balance  |                           |                | 98004.01   |
|                          | ii) Provisions made during the period   |                           |                | 29241.85   |
|                          | iii) Write-off/Write-back of excess provisions  |                           |                | 36196.42   |
|                          | iv) Closing balance   |                           |                | 91049.44   |
| k                        | Amount of Non-Performing Investments  |                           |                | 5474.38    |
| l                        | Amount of Provisions held for Non-Performing Investments  |                           |                | 4706.83    |
| m                        | Movement of Provisions for Depreciation on Investments  |                           |                |            |
|                          | Opening balance   |                           |                | 9580.95    |
|                          | Provisions made during the period   |                           |                | 4615.48    |
|                          | Write-off   |                           |                | 3404.63    |
|                          | Write-back of excess provisions   |                           |                | 1593.55    |
|                          | Closing balance   |                           |                | 9198.25    |
| n                        | By major industry or counter party type   |                           |                |            |
|                          | Amt. of NPA and if available, past due loans, provided separately   |                           |                | 63683.09   |
|                          | Specific & general provisions; and  |                           |                | -          |
|                          | Specific provisions and write-offs during the current period  |                           |                | -          |
| o                        | Amt. of NPAs and past due loans provided separately by significant geographical areas including specific and general provisions |                           |                | -          |
|                          | Provisions  |                           |                | -          |

**Table- A: DF-3 (d) Industry Type Distribution of Exposures as on 31.03.2021****(Rs. in crores)**

| Code | Industry                       | Fund Based [Outstanding-O/s] |                  |                   | Non-Fund Based(O/s) |
|------|--------------------------------|------------------------------|------------------|-------------------|---------------------|
|      |                                | Standard                     | NPA              | Total             |                     |
| 1    | Coal                           | 8131.50                      | 701.79           | 8833.29           | 5612.45             |
| 2    | Mining                         | 6019.31                      | 139.60           | 6158.91           | 1641.72             |
| 3    | Iron & Steel                   | 59824.70                     | 3215.94          | 63040.64          | 38985.90            |
| 4    | Metal Products                 | 36557.97                     | 1176.44          | 37734.41          | 9962.72             |
| 5    | All Engineering                | 33255.27                     | 4994.74          | 38250.01          | 72079.91            |
| 5.1  | Of which Electronics           | 4150.56                      | 98.49            | 4249.05           | 6492.56             |
| 6    | Electricity                    | 5415.98                      | 0.00             | 5415.98           | 0.00                |
| 7    | Cotton Textiles                | 22180.05                     | 1792.10          | 23972.15          | 1451.87             |
| 8    | Jute Textiles                  | 997.90                       | 49.23            | 1047.13           | 42.15               |
| 9    | Other Textiles                 | 11589.37                     | 1635.79          | 13225.16          | 2831.00             |
| 10   | Sugar                          | 5850.94                      | 566.02           | 6416.96           | 962.06              |
| 11   | Tea                            | 828.98                       | 82.68            | 911.66            | 44.58               |
| 12   | Food Processing                | 83494.03                     | 5215.16          | 88709.19          | 3010.52             |
| 13   | Vegetable Oils & Vanaspati     | 5131.54                      | 590.99           | 5722.53           | 2950.86             |
| 14   | Tobacco / Tobacco Products     | 162.15                       | 17.49            | 179.64            | 192.08              |
| 15   | Paper / Paper Products         | 5046.68                      | 634.69           | 5681.37           | 1015.62             |
| 16   | Rubber / Rubber Products       | 7550.64                      | 903.94           | 8454.58           | 2042.90             |
| 17   | Chemicals / Dyes / Paints etc. | 83261.39                     | 3202.67          | 86464.06          | 57375.42            |
| 17.1 | Of which Fertilizers           | 17024.17                     | 1015.50          | 18039.67          | 7503.33             |
| 17.2 | Of which Petrochemicals        | 42891.81                     | 146.11           | 43037.92          | 38445.74            |
| 17.3 | Of which Drugs & Pharma        | 11992.73                     | 627.17           | 12619.90          | 2379.99             |
| 18   | Cement                         | 11719.63                     | 754.90           | 12474.53          | 4289.38             |
| 19   | Leather & Leather Products     | 3063.77                      | 381.42           | 3445.19           | 376.54              |
| 20   | Gems & Jewellery               | 11979.86                     | 532.75           | 12512.61          | 1098.87             |
| 21   | Construction                   | 45623.80                     | 1331.58          | 46955.38          | 16247.42            |
| 22   | Petroleum                      | 44073.69                     | 342.68           | 44416.37          | 24784.78            |
| 23   | Automobiles & Trucks           | 16298.32                     | 911.67           | 17210.00          | 8397.26             |
| 24   | Computer Software              | 6779.93                      | 4.70             | 6784.63           | 1611.85             |
| 25   | Infrastructure                 | 327512.30                    | 31999.85         | 359512.15         | 92979.33            |
| 25.1 | Of which Power                 | 179004.07                    | 12436.73         | 191440.80         | 32604.46            |
| 25.2 | Of which Telecommunication     | 21929.49                     | 5914.26          | 27843.75          | 14548.54            |
| 25.3 | Of which Roads & Ports         | 79310.86                     | 7248.57          | 86559.43          | 19832.89            |
| 26   | Other Industries               | 200414.42                    | 33035.25         | 233449.67         | 33386.55            |
| 27   | NBFCs & Trading                | 361934.88                    | 18411.71         | 380346.58         | 52323.83            |
| 28   | Residual Advances              | 1058738.00                   | 15542.76         | 1074280.76        | 35443.15            |
|      | <b>Total</b>                   | <b>2463437.00</b>            | <b>128168.54</b> | <b>2591605.54</b> | <b>471140.72</b>    |

**Table- B****DF-3 (e) SBI (CONSOLIDATED) Residual contractual maturity breakdown of assets as on 31.03.2021\***

(Rs. In crores)

|   | <b>INFLOW S</b>                  | <b>1 days</b>    | <b>2-7 days</b>  | <b>8-14 days</b> | <b>15-30 days</b> | <b>31 days &amp; upto 2 months</b> | <b>More than 2 months &amp; upto 3 months</b> | <b>Over 3 months &amp; upto 6 months</b> | <b>Over 6 months &amp; upto 1 year</b> | <b>Over 1 year &amp; upto 3 years</b> | <b>Over 3 years &amp; upto 5 years</b> | <b>Over 5 years</b> | <b>TOTAL</b>      |
|---|----------------------------------|------------------|------------------|------------------|-------------------|------------------------------------|---|--|--|---------------------------------------|--|---------------------|-------------------|
| 1 | <b>Cash</b>                      | 23598.56         | 3.29             | 0.00             | 2.00              | 0.00                               | 2.22  | 0.00                                     | 0.00                                   | 0.00                                  | 0.00                                   | 19.02               | <b>23627.09</b>   |
| 2 | <b>Balances with RBI</b>         | 62832.73         | 2756.14          | 1263.32          | 2016.48           | 2323.35                            | 1732.80                                       | 5129.08                                  | 30509.76                               | 28253.15                              | 13376.96                               | 39618.61            | <b>189812.38</b>  |
| 3 | <b>Balances with other Banks</b> | 76285.29         | 49038.23         | 444.84           | 733.22            | 838.30                             | 934.71  | 2602.32                                  | 3945.74                                | 3832.81                               | 22.62                                  | 70.62               | <b>138748.70</b>  |
| 4 | <b>Investments</b>               | 8405.02          | 878.84           | 16407.50         | 7794.45           | 10398.79                           | 28797.20                                      | 52797.44                                 | 100994.96                              | 336561.13                             | 227375.94                              | 585233.27           | <b>1375644.55</b> |
| 5 | <b>Advances</b>                  | 45083.24         | 17039.40         | 19280.77         | 42041.74          | 49861.36                           | 39755.67                                      | 123530.07                                | 204529.89                              | 882447.88                             | 327001.00                              | 758199.46           | <b>2508770.48</b> |
| 6 | <b>Fixed Assets</b>              | 0.00             | 0.00             | 0.00             | 0.0               | 0.00                               | 0.00  | 0.00                                     | 0.03                                   | 14.72                                 | 21.38                                  | 39132.00            | <b>39168.13</b>   |
| 7 | <b>Other Assets</b>              | 22282.07         | 52940.44         | 55240.28         | 19663.21          | 17506.43                           | 14874.54                                      | 23230.28                                 | 35430.24                               | 17083.64                              | 24967.59                               | 71759.75            | <b>354978.47</b>  |
|   | <b>TOTAL</b>                     | <b>238486.91</b> | <b>122656.34</b> | <b>92636.70</b>  | <b>72251.10</b>   | <b>80930.24</b>                    | <b>86097.15</b>                               | <b>207289.18</b>                         | <b>375410.63</b>                       | <b>1268193.33</b>                     | <b>592765.48</b>                       | <b>1494032.73</b>   | <b>4630749.80</b> |

\* Notes:

- i) Insurance entities, Non-financial entities, JVs, Special Purpose Vehicles & Intra-group Adjustments are excluded.
- ii) Investments include Non-Performing Investments and Advances includes Non-Performing Advances.
- iii) The Bucketing structure has been revised based on the RBI guidelines dated March 23, 2016.

**DF-4: CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH**

**As on 31.03.2021**

| <b>Disclosures for Portfolios subject to Standardised Approach</b>  |
|---|
| <b>Qualitative Disclosures</b>  |
| <ul style="list-style-type: none"><li>▪ <b>Names of Credit Rating Agencies used, plus reasons for any changes</b><br/>(a) As per RBI Guidelines, the Bank has identified CARE, CRISIL, ICRA, India Rating, Brickwork, ACUITE Ratings and Research and INFOMERICs (Domestic Credit Rating Agencies) and FITCH, Moody's and S&amp;P (International Rating Agencies) as approved Rating Agencies, for the purpose of rating Domestic and Overseas Exposures, respectively, whose ratings are used for the purpose of computing Risk-weighted Assets and Capital Charge.</li></ul>  |
| <ul style="list-style-type: none"><li>▪ <b>Types of exposures for which each Agency is used</b><ul style="list-style-type: none"><li>(i) For Exposures with a contractual maturity of less than or equal to one year (except Cash Credit, Overdraft and other Revolving Credits), Short-term Ratings given by approved Rating Agencies are used.</li><li>(ii) For Cash Credit, Overdraft and other Revolving Credits (irrespective of the period) and for Term Loan exposures of over 1 year, Long Term Ratings are used.</li></ul></li></ul>   |
| <ul style="list-style-type: none"><li>▪ <b>Description of the process used to transfer Public Issue Ratings onto comparable assets in the Banking Book</b></li></ul> <p>The key aspects of the Bank's external ratings application framework are as follows:</p> <ul style="list-style-type: none"><li>• All long term and short term ratings assigned by the credit rating agencies specifically to the Bank's long term and short term exposures respectively are considered by the Bank as issue specific ratings.</li><li>• Foreign sovereign and foreign bank exposures are risk-weighted based on issuer ratings assigned to them.</li><li>• The Bank ensures that the external rating of the facility/borrower has been reviewed at least once by the ECAI during the previous 15 months and is in force on the date of its application.</li><li>• Where multiple issuer ratings are assigned to an entity by various credit rating agencies, In this context, the lower rating, where there are two ratings and the second-lowest rating where there are three or more ratings are used for a given facility.</li></ul> <p>Long-term Issue Specific Ratings (For the Bank's own exposures or other issuance of debt by the same borrower-constituent/counter-party) or Issuer (borrower-constituents/counter-party) Ratings are applied to other unrated exposures of the same borrower-constituent/counter-party in the following cases :</p> <ul style="list-style-type: none"><li>• If the Issue Specific Rating or Issuer Rating maps to Risk Weight equal to or higher than the unrated exposures, any other unrated exposure on the same counter-party is assigned the same Risk Weight, if the exposure ranks <i>pari passu</i> or junior to the rated exposure in all respects.</li><li>• In cases where the borrower-constituent/counter-party has issued a debt (which is not a borrowing from the Bank), the rating given to that debt is applied to the Bank's unrated exposures, if the Bank's exposure ranks <i>pari passu</i> or senior to the specific rated debt in all respects and the maturity of unrated Bank's exposure is not later than the maturity of the rated debt.</li></ul> |

**Quantitative Disclosures as on 31.03.2021**

(Rs. in crores)

|  |                            |                     |
|--|----------------------------|---------------------|
| (b) For exposure amounts after risk mitigation subject to the Standardized Approach, amount of group's outstanding (rated and unrated) in each risk bucket as well as those that are deducted. |                            | <b>Amount</b>       |
|  | Below 100% Risk Weight     | 20,70,436.98        |
|  | 100% Risk Weight           | 7,48,475.63         |
|  | More than 100% Risk Weight | 2,43,833.65         |
|  | Deducted                   | 0.00                |
|  | <b>Total</b>               | <b>30,62,746.26</b> |

**DF-5: CREDIT RISK MITIGATION: DISCLOSURES FOR  
STANDARDISED APPROACHES**

**As on 31.03.2021**

**Credit Risk Mitigation: Disclosures for Standardised Approach**

**(a) Qualitative Disclosures**

▪ **Policies and processes for, and an indication of the extent to which the bank makes use of, on- and off-balance sheet netting**

On-balance sheet netting is confined to loans/advances and deposits, where the Bank have legally enforceable netting arrangements, involving specific lien with proof of documentation. The Bank calculates capital requirements on the basis of net credit exposures subject to the following conditions:

Where bank,

- a. has a well-founded legal basis for concluding that the netting or offsetting agreement is enforceable in each relevant jurisdiction regardless of whether the counterparty is insolvent or bankrupt;
- b. is able at any time to determine the loans/advances and deposits with the same counterparty that are subject to the netting agreement; and
- c. monitors and controls the relevant exposures on a net basis, it may use the net exposure of loans/advances and deposits as the basis for its capital adequacy calculation. Loans/advances are treated as exposure and deposits as collateral.

▪ **Policies and Processes for Collateral Valuation and Management**

The Bank has an integrated Credit Risk Management, Credit Risk Mitigation and Collateral Management Policy in place which is reviewed annually. Part B of this policy deals with Credit Risk Mitigation and Collateral Management, addressing the Bank's approach towards the credit risk mitigants used for capital calculation.

The objective of this Policy is to enable classification and valuation of credit risk mitigants in a manner that allows regulatory capital adjustment to reflect them.

The Policy adopts the Comprehensive Approach, which allows full offset of collateral (after appropriate haircuts), wherever applicable against exposures, by effectively reducing the exposure amount by the value ascribed to the collateral. The following issues are addressed in the Policy:

- (i) Classification of credit risk-mitigants
- (ii) Acceptable credit risk-mitigants
- (iii) Documentation and legal process requirements for credit risk-mitigants
- (iv) Valuation of collateral
- (v) Margin and Haircut requirements
- (vi) External ratings
- (vii) Custody of collateral
- (viii) Insurance
- (ix) Monitoring of credit risk mitigants
- (x) General guidelines.

**Description of the main types of collateral taken by the Bank**

The following collaterals are usually recognised as Credit Risk Mitigants under the Standardised Approach:

Cash or Cash equivalent (Bank Deposits/NSCs/KVP/LIC Policy, etc.)

Gold

Securities issued by Central / State Governments

Debt Securities rated BBB- or better/ PR3/P3/F3/A3 for Short-Term Debt Instrument



▪ **Main types of Guarantor Counterparty and their creditworthiness**

The Bank accepts the following entities as eligible guarantors, in line with RBI guidelines:

- Sovereign, Sovereign entities [including Bank for International Settlements (BIS), International Monetary Fund (IMF), European Central Bank and European Community as well as Multilateral Development Banks, Export Credit & Guarantee Corporation (ECGC) and Credit Guarantee Fund Trust for Micro and Small Enterprises (**CGTMSE**)], Public Sector Enterprises (PSEs), Banks and Primary Dealers with a lower risk weight than the counterparty.
  
- Other guarantors having an external rating of AA or better. In case the guarantor is a parent company, affiliate or subsidiary, they should enjoy a risk weight lower than the obligor for the guarantee to be recognised by the Bank. The rating of the guarantor should be an entity rating which has factored in all the liabilities and commitments (including guarantees) of the entity.

**Information about (Market or Credit) risk concentrations within the mitigation taken:**

The Bank has a well-dispersed portfolio of assets which are secured by various types of collaterals, such as: -

- Eligible financial collaterals listed above
- Guarantees by sovereigns and well-rated corporates,
- Fixed assets and current assets of the counterparty.

**Quantitative Disclosures as on 31.03.2021**

(Amt. Rs. in Crs.)

|  |             |
|--|-------------|
| (b) For each separately disclosed credit risk portfolio the total exposure (after, where applicable, on- or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts. | 1,66,449.51 |
| (c) For each separately disclosed portfolio the total exposure (after, where applicable, on- or off-balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI)       | 96,391.87   |

**DF-6: SECURITISATION EXPOSURES: DISCLOSURE FOR  
STANDARDISED APPROACH**

**As on 31.03.2021**

| <b>Qualitative Disclosures</b>   |  |
|--|--|
| <b>(a)</b>   | <i>The general qualitative disclosure requirement with respect to securitisation including a discussion of:</i>                                |
| The bank's objectives in relation to securitisation activity, including the extent to which these activities transfer credit risk of the underlying securitised exposures away from the bank to other entities.  | Nil  |
| The nature of other risks (e.g. liquidity risk) inherent in securitised assets;  | Not Applicable   |
| The various roles played by the bank in the securitisation process (For example: originator, investor, servicer, provider of credit enhancement, liquidity provider, swap provider <sup>@</sup> , protection provider <sup>#</sup> ) and an indication of the extent of the bank's involvement in each of them;<br><sup>@</sup> A bank may have provided support to a securitisation structure in the form of an interest rate swap or currency swap to mitigate the interest rate/currency risk of the underlying assets, if permitted as per regulatory rules.<br><sup>#</sup> A bank may provide credit protection to a securitisation transaction through guarantees, credit derivatives or any other similar product, if permitted as per regulatory rules. | Not Applicable   |
| A description of the processes in place to monitor changes in the credit and market risk of securitisation exposures (for example, how the behaviour of the underlying assets impacts securitisation exposures as defined in para 5.16.1 of the Master Circular on NCAF dated July 1, 2012).   | Not Applicable   |
| A description of the bank's policy governing the use of credit risk mitigation to mitigate the risks retained through securitisation exposures;  | Not Applicable   |
| <b>(b)</b>   | <i>Summary of the bank's accounting policies for securitization activities, including:</i>   |
| Whether the transactions are treated as sales or financings;   | Not Applicable   |
| Methods and key assumptions (including inputs) applied in valuing positions retained or purchased  | Not Applicable   |
| Changes in methods and key assumptions from the previous period and impact of the changes;   | Not Applicable   |
| Policies for recognising liabilities on the balance sheet for arrangements that could require the bank to provide financial support for securitised assets.  | Not Applicable   |
| <b>(c)</b>   | <i>In the banking book, the names of ECAs used for securitisations and the types of securitisation exposure for which each agency is used.</i> |
|  | Not Applicable   |

| <b>Quantitative Disclosures: Banking Book</b> |  |                |
|---|--|----------------|
| <b>(d)</b>                                    | The total amount of exposures securitised by the bank.   | Nil            |
| <b>(e)</b>                                    | For exposures securitised losses recognised by the bank during the current period broken by the exposure type (e.g. Credit cards, housing loans, auto loans etc. detailed by underlying security)                                  | Nil            |
| <b>(f)</b>                                    | Amount of assets intended to be securitised within a year  | Nil            |
| <b>(g)</b>                                    | Of (f), amount of assets originated within a year before securitisation.   | Not Applicable |
| <b>(h)</b>                                    | The total amount of exposures securitised (by exposure type) and unrecognised gain or losses on sale by exposure type.   | Nil            |
| <b>(i)</b>                                    | Aggregate amount of:   |                |
|   | On-balance sheet securitisation exposures retained or purchased broken down by exposure type and   | Nil            |
|   | Off-balance sheet securitisation exposures broken down by exposure type  | Nil            |
| <b>(j)</b>                                    | Aggregate amount of securitisation exposures retained or purchased and the associated capital charges, broken down between exposures and further broken down into different risk weight bands for each regulatory capital approach | Nil            |
|   | Exposures that have been deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type).   | Nil            |
| <b>Quantitative Disclosures: Trading Book</b> |  |                |
| <b>(k)</b>                                    | Aggregate amount of exposures securitised by the bank for which the bank has retained some exposures and which is subject to the market risk approach, by exposure type.   | Nil            |
| <b>(l)</b>                                    | Aggregate amount of:   |                |
|   | On-balance sheet securitisation exposures retained or purchased broken down by exposure type; and  | Nil            |
|   | Off-balance sheet securitisation exposures broken down by exposure type.   | Nil            |
| <b>(m)</b>                                    | Aggregate amount of securitisation exposures retained or purchased separately for:   | Nil            |
|   | Securitisation exposures retained or purchased subject to Comprehensive Risk Measure for specific risk; and  | Nil            |
|   | Securitisation exposures subject to the securitisation framework for specific risk broken down into different risk weight bands.   | Nil            |
| <b>(n)</b>                                    | Aggregate amount of:   |                |
|   | The capital requirements for the securitisation exposures, subject to the securitisation framework broken down into different risk weight bands.   | Nil            |
|   | Securitization exposures that are deducted entirely from Tier 1 capital, credit enhancing I/Os deducted from total capital, and other exposures deducted from total capital (by exposure type).                                    | Nil            |

## **DF-7: MARKET RISK IN TRADING BOOK**

**As on 31.03.2021**

### **(a) QUALITATIVE DISCLOSURES:**

(1) The Bank follows Standardised Measurement Method (SMM) for computing capital requirement for Market Risk.

(2) Market Risk Management Department (MRMD) is functioning as a part of Risk Management Department of the Bank, in terms of Governance structure approved by the Board of the Bank.

(3) MRMD is responsible for identification, assessment, monitoring and reporting of market risk associated with Treasury Operations.

(4) The following Board approved policies with defined Market Risk Management parameters for each asset class are in place:

- (a) Market Risk Management Policy
- (b) Market Risk Limits
- (c) Investment Policy
- (d) Trading Policy
- (e) Stress Test Policy for Market Risk

(5) Risk monitoring is an ongoing process and risk positions are analysed and reported to Top Management of the Bank, Market Risk Management Committee and Risk Management Committee of the Board.

(6) Risk management and reporting is based on parameters such as Modified Duration, PV01, Option Greeks, Maximum permissible exposures, Value at Risk Limits, Concentration Risk Limits, Lower and upper management Action Triggers, in line with global best practices.

(7) Forex Open position limit (Daylight/Overnight), Stop Loss Limit, Aggregate Gap Limit (AGL), Individual Gap Limit (IGL) as approved by the Board is monitored and exceptions, if any, is reported to Top Management of the Bank, Market Risk Management Committee and Risk Management Committee of the Board.

(8) Value at Risk (VaR) is computed on a daily basis. Back-Testing of VaR number is carried out on daily basis. Stress Testing is carried out at quarterly intervals as a complement to Value at Risk. Results are reported to Top Management of the Bank, Market Risk Management Committee and Risk Management Committee of the Board.

(9) Respective Foreign offices monitor risk of their investment portfolio, as per the local regulatory and RBI stipulations. Stop Loss limit for individual investments and exposure limits for certain portfolios have been prescribed.

(10) Bank has submitted Letter of Intent (LOI) to RBI to migrate to advanced approach i.e. Internal Models Approach for calculating capital charge for market risk and.

**(b) QUANTITATIVE DISCLOSURES:**

**CAPITAL CHARGE ON MARKET RISK**

Bank maintains Capital Charge for Market Risk under the Standardised measurement method as under.

**(Rs. in Crores)**

| <b>Category</b>                            | <b>31.03.2021</b> |
|--|-------------------|
| Interest rate Risk (including Derivatives) | 13,789.64         |
| Equity Position Risk                       | 7,514.91          |
| Foreign Exchange Risk                      | 171.23            |
| <b>Total</b>                               | <b>21,475.78</b>  |

## **DF-8: OPERATIONAL RISK**

**As on 31.03.2021**

### **Qualitative disclosures**

#### **A. The structure and organization of Operational Risk Management function**

- The Operational Risk Management Department functions in SBI as part of the Integrated Risk Governance Structure under the control of respective Chief Risk Officer. In SBI, Chief Risk Officer reports to Risk Management Committee of the Board (RMCB)
- The operational risk related issues in other Group entities are being dealt with as per the requirements of the business model and their regulators under the overall control of Chief Risk Officers of respective entities.

#### **B. Policies for control and mitigation of Operational Risk in SBI**

##### **Domestic Banking Entities (SBI)**

The following Policies, Framework Documents and Manuals are in place in SBI:

##### **Policies and Framework Documents**

- Operational Risk Management policy encompasses Operational Risk Management Framework for systematic and proactive identification, assessment, measurement, monitoring, mitigation and reporting of the Operational Risks.
- Loss Data Management Policy;
- External Loss Data Management Policy;
- IS Policy;
- IT Policy;
- Cyber Security Policy
- Group Cyber Security Policy
- Business Continuity Planning (BCP) Policy;
- Business Continuity Management System (BCMS) Policy;
- Policy on Know Your Customer (KYC) Standards and Anti Money Laundering (AML)/ Combating of Financing of Terrorism Measures;
- Policy on Fraud Risk Management;
- Bank's Outsourcing Policy;
- Policy on Insurance;

##### **Manuals**

- Operational Risk Management Manual
- Loss Data Management Manual
- Business Continuity Planning (BCP) Manual
- Business Continuity Management System (BCMS) Manual
- External Loss Data Manual

##### **Domestic Non-Banking and Overseas Banking entities**

Policies and Manuals, as relevant to the business model of Non-Banking entities and as per the requirements of the overseas regulators in respect of Overseas Banking subsidiaries are in place. A few of the policies in place are – Disaster Recovery Plan/ Business Continuity Plan, Incident Reporting Mechanism, Near Miss Events Reporting Mechanism, Outsourcing Policy, etc.

#### **C. Strategies and Processes**

##### **Domestic Banking entities (SBI)**

##### **Advanced Measurement Approach**

- To successfully embed the risk culture and operational risk management, Risk Management Committees at various levels at Circles like RMCAOs, RMCCs, and RMCs at the Business and Support Groups (RMC-R & DB, RMC-IBG, RMC-GMU, RMC-CAG, RMC-CCG, RMC-SARG & RMC-IT) are in place in addition to the Operational Risk Management Committee (ORMC) and the Risk Management Committee of the Board (RMCB).
- The process of building a comprehensive database of internal and external losses due to Operational Risks as per Basel defined 8 Business Lines and 7 Loss Event Types is in place. In addition, Near Miss Events and external losses are also captured to improve risk management practices.
- Risk and Control Self-Assessment (RCSA) is a proactive exercise conducted in workshop-based manner to identify gaps, if any, in the existing controls and suggestions are invited for improvement of System & Controls to mitigate the Risks. RCSA also helps in generating risk awareness among staff members. RCSA exercise is carried out across Bank Branches, CPCs & Offices on a yearly basis. Bank also conducts theme based RCSA for Products /Processes. During FY 21, year, Bank has

conducted 24 theme based RCSA exercises based on the RCSA exercise, Mitigation plans are prepared and implemented for activities rated as High & Critical Risks. Feasibility study is carried out by Business owners for suggestions received during RCSA exercise for further improvement of System & Controls in the Bank.

- Key Indicators (KIs) have been identified across the Business and Support Groups with threshold and monitoring mechanism. KIs are being monitored at quarterly intervals by the RMCs, the ORMC and the RMCB. Top 10 KIs have been identified during current financial year for close follow up.
- Development of internal systems for quantifying and monitoring operational risk as required under Basel II guidelines is in place.
- The Bank had earlier received approval for the parallel run for AMA. However, due to recent revision in Basel III framework by the Basel Committee on Banking Supervision (BCBS), RBI has advised to discontinue submission of AMA Capital Computation.

#### **Others**

The following measures are being used to control and mitigate Operational Risks in the Domestic Banking entities:

- “Book of Instructions” (Manual on General Instructions, Manual on Loans & Advances) which contains detailed procedural guidelines for processing various banking transactions. Amendments and modifications to update these guidelines are being carried out regularly through e-circulars/Master circulars. Guidelines and instructions are also propagated through e-Circulars, E-Learning Lessons, Training Programs, etc.
- Updated Manuals and operating instructions relating to Business Process Re-engineering (BPR) units.
- Delegation of Financial powers, which details sanctioning powers of various levels of officials for different types of financial and non-financial transactions.
- Training of staff-Inputs on Operational Risk is included as a part of Risk Management modules in the trainings conducted for various categories of staff at Bank’s Apex Training Institutes and State Bank Institute of Learning and Development.
- Insurance cover is obtained for most of the potential operational risks excluding frauds as per Bank’s policy on insurance.
- Internal Auditors are responsible for the examination and evaluation of the adequacy and effectiveness of the control systems and the functioning of specific control procedures. They also conduct review of the existing systems to ensure compliance with legal and regulatory requirements, codes of conduct and the implementation of policies and procedures.
- In order to ensure business continuity, resumption and recovery of critical business process after a disaster, the Bank has robust Business Continuity Management Policy and Manuals in place.
- Stringent Implementation of vacation policy.
- Conduct of RCSA-Abridged at remaining Branches where RCSA is not proposed.

#### **Domestic Non-Banking and Overseas Banking entities**

Adequate measures by way of systems and procedures and reporting have been put in place in the Domestic Non-Banking and Overseas Banking entities.

#### **D. The scope and nature of Risk Reporting and Measurement Systems**

- A system of prompt submission of reports on Frauds is in place in all the Group entities.
- A comprehensive system of Preventive Vigilance & Whistle Blowing has been established in all the Group entities.
- Significant risks thrown up in RCSA/RCSA-Abridged exercise at all Branches, Scenario Analysis and loss data/NMEs analysis are reported to Top Management at regular intervals and corrective actions are initiated on an ongoing basis.
- Basic Indicator Approach with capital charge of 15% of average gross income for previous 3 years is applied for Operational Risk, except Insurance Companies, for the year ended 31<sup>st</sup> March 2021.

## **DF-9: INTEREST RATE RISK IN BANKING BOOK (IRRBB)**

**As on 31.03.2021**

### **1. Qualitative disclosures**

#### **INTEREST RATE RISK IN BANKING BOOK (IRRBB)**

Interest rate risk refers to impact on Bank's Net Interest Income and the value of its assets and liabilities arising from fluctuations in interest rate due to internal and external factors. Internal factors include the composition of the Bank's assets and liabilities, quality, maturity, existing rates and repricing period of deposits, borrowings, loans and investments. External factors cover general economic conditions. Rising or falling interest rates impact the Bank depending on whether the Balance Sheet is asset sensitive or liability sensitive. The Bank identifies the inherent risks associated with the changing interest rates on its on-balance sheet and off-balance sheet exposures in the banking book from both a short-term and long-term perspective.

#### **1.1 Structure and organization**

The Asset-Liability Management Committee (ALCO) is responsible for evolving appropriate systems and procedures for ongoing identification and analysis of Balance Sheet risks and laying down parameters for efficient management of these risks through ALM Policy of the Bank. ALCO, therefore, periodically monitors and controls the risks and returns, funding and deployment, setting Bank's lending and deposit rates, and directing the investment activities of the Bank. The Risk Management Committee of the Board of Directors (RMCB) oversees the implementation of the system for ALM and reviews its functioning periodically and provides direction. It reviews various decisions taken by ALCO for managing interest rate risk.

#### **1.2 Scope and nature of risk reporting and measurement systems**

RBI has stipulated monitoring of Interest Rate Risk at monthly intervals through a Statement of Interest Rate Sensitivity under Traditional Gap Analysis (IRS-TGA). Accordingly, ALCO reviews IRS-TGA on monthly basis and monitors the Earnings at Risk (EaR) which measures the change in Net Interest Income of the Bank due to parallel change in interest rate on both the assets & liabilities.

RBI has also stipulated to estimate the impact of change in interest rates on economic value of Bank's assets and liabilities through Interest Rate Sensitivity under Duration Gap Analysis (IRS-DGA), which Bank carries out on monthly basis. The impact of interest rate changes on the Market Value of Equity is monitored through IRS-DGA by recognizing the changes in the value of assets and liabilities by a given change in the market interest rate. The change in value of equity (including reserves) with 2% parallel shift in interest rates for both assets and liabilities is estimated.

**EaR:** The immediate impact of changes in interest rates is on Bank's earnings through changes in its Net Interest Income (NII). EaR is useful in calculating the impact of the change in interest rate on the NII for a shorter period of time (impact over a one-year period). The EaR computations include the banking book as well as the trading book.

**MVE:** A long-term impact of changes in interest rates is on Bank's Market Value of Equity (MVE) or Net Worth through changes in the economic value of its liabilities and off-balance sheet positions. Although these changes in value do not pass through earnings, they have a bearing on Bank's capital position.



The Bank uses MVE approach as part of a framework to manage IRRBB for its domestic and foreign operations. Impact on MVE is assessed for the overall Bank and Banking Book separately. In order to effectively monitor and manage IRRBB, the ALM Policy stipulates separate MVE limits for overall Bank and Banking Book.

### 1.3 Policies for hedging and mitigating risk

The Bank has a policy for undertaking hedge transactions. Depending on the underlying and prevailing market conditions, the Bank enters into hedge transactions for identified assets or liabilities. Derivative instruments like Interest Rate Swaps, OIS, Forward Rate Agreements and Cross Currency Swaps are used as a hedging technique by the Bank.

## 2. Quantitative Disclosures

2.1 The following table sets forth, estimated impact on NII due to changes in interest rates on interest sensitive positions as on 31<sup>st</sup> March 2021, assuming a parallel shift in the yield curve.

### Earnings at Risk (EaR)

(Rs.in Crs)

|   | <b>Impact on NII</b> |
|---|----------------------|
| Impact of 100 bps parallel shift in interest rate on both assets & liability on Net Interest Income (NII) | <b>5,996.29</b>      |
| Impact of 200 bps parallel shift in interest rate on both assets & liability on Net Interest Income (NII) | <b>11,992.58</b>     |

2.2 The following table sets forth, estimated impact on MVE due to changes in interest rates on interest sensitive positions as on 31<sup>st</sup> March 2021, assuming a parallel shift in the yield curve.

### Market Value of Equity (MVE)

(Rs in Crs)

|   | <b>Impact on MVE</b> |
|---|----------------------|
| Impact of 100 bps parallel shift in interest rate on both assets & liability on Market Value of Equity (MVE) - Banking Book | <b>16,003.19</b>     |
| Impact of 200 bps parallel shift in interest rate on both assets & liability on Market Value of Equity (MVE) - Banking Book | <b>32,006.38</b>     |

## **DF-10: GENERAL DISCLOSURE FOR EXPOSURE RELATED TO COUNTERPARTY CREDIT RISK**

**As on 31.03.2021**

### **Qualitative Disclosure:**

Credit Risk Management Department of the Bank uses scoring models for setting limits for amounts of counterparty exposure for Domestic Banks, Foreign Banks, Development Financial Institution, Primary Dealers, Small Finance Banks & Payment Banks.

Credit Risk Management Department allocates the exposure limits to all business units, viz., CAG, CCG, R&DB, Global Markets & IBG, who in turn allocate the limits among various operating units under their respective control.

### **Classification and recognition of collaterals**

The Bank will accept, recognize and attribute value to collateral, both for internal sanctioning and/or regulatory capital relief purposes, only when the following conditions are fulfilled:

- There is a legal certainty of enforceability and effectiveness of collateral in all relevant jurisdictions
- All contractual and statutory requirements with respect to the loan and collateral documentation are fulfilled.
- The Bank has obtained a legal charge to the said collateral (including second/subordinate or *paripassu* charges, in addition to first legal charge).
- The legal mechanism by which the collateral is pledged or transferred ensures that the Bank has the right to liquidate or take possession of it in a timely manner, in the event of a default, insolvency or bankruptcy on the part of the counterparty or any third party.
- The Bank has clear and robust procedures for the timely liquidation of collateral to ensure that any legal conditions required for declaring the default of the counterparty and liquidating the collateral are fulfilled and collateral can be liquidated promptly.

For the purposes of eligibility for IRB capital computation, collaterals are required to satisfy all operational criteria outlined in RBI IRB guidelines.

Counterparty Credit Risk is the risk that the counterparty to a derivative transaction can default before the final settlement of the transaction's cash flow. To mitigate this risk, derivative transactions are undertaken only with those counterparties where approved counterparty limits are in place. Counterparty limits for banks are assessed using internal models considering a number of financial parameters like networth, capital adequacy ratio, rating etc. For corporates, the Derivatives limits are assessed and sanctioned in conjunction with regular credit limit as part of regular appraisal.

**Quantitative Disclosure:****(Rs. In Crores)**

| <b>Distribution of Notional and Current Credit Exposure (Rs. In Crores)</b> | <b>Notional</b>     | <b>Current credit exposure</b> | <b>Exposure under Current Exposure Method (CEM)</b> |
|---|---------------------|--------------------------------|---|
| a) Interest rate Swaps  | 2,32,557.48         | 3,235.42                       | 5,628.06  |
| b) Cross Currency Swaps   | 49,326.97           | 759.25                         | 1,233.14  |
| c) Currency Options   | 65,027.90           | 1,097.70                       | 7,251.11  |
| d) Foreign Exchange Contracts   | 9,18,403.76         | 9,277.85                       | 33,510.60   |
| e) Currency Futures   |                     |                                |   |
| f) Forward Rate Agreements  | 361.14              | 0.00                           | 0.00  |
| g) Others (please specify product name) - NDF                               | 2,394.83            | 0.27                           | 48.16   |
| <b>Total</b>  | <b>12,68,072.08</b> | <b>14,370.49</b>               | <b>47,671.07</b>                                    |
| <b>Credit Derivative transactions</b>                                       | <b>NIL</b>          |                                |   |

## DF-11: COMPOSITION OF CAPITAL

As on 31.03.2021

| (Rs. in Crore)  |   |           |  |
|---|---|-----------|--|
| Basel III common disclosure template to be used from March 31, 2017 |   |           |  |
| Common Equity Tier 1 capital: instruments and reserves              |   |           | Ref No.<br>(with respect to DF - 12: Step 2) |
| 1   | Directly issued qualifying common share capital plus related stock surplus (share premium)  | 80007.93  | A1 + B3                                      |
| 2   | Retained earnings   | 147376.81 | B1 + B2 + B7 + B8 + B9 (#)                   |
| 3   | Accumulated other comprehensive income (and other reserves)   | 18326.35  | B5 * 75% + B6 * 45%                          |
| 4   | <i>Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)</i>  |           |  |
| 5   | Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)  | 1358.53   |  |
| 6   | <b>Common Equity Tier 1 capital before regulatory adjustments</b>   | 247069.61 |  |
| Common Equity Tier 1 capital: regulatory adjustments                |   |           |  |
| 7   | Prudential valuation adjustments  | 597.62    |  |
| 8   | Goodwill (net of related tax liability)   | 1549.99   | D  |
| 9   | Intangibles (net of related tax liability)  | 31.96     |  |
| 10  | Deferred Tax Assets   | 2.19      |  |
| 11  | Cash-flow hedge reserve   |           |  |
| 12  | Shortfall of provisions to expected losses  |           |  |
| 13  | Securitisation gain on sale   |           |  |
| 14  | Gains and losses due to changes in own credit risk on fair valued liabilities   |           |  |
| 15  | Defined-benefit pension fund net assets   |           |  |
| 16  | Investments in own shares (if not already netted off paid-up capital on reported balance sheet)   | 95.47     |  |
| 17  | Reciprocal cross-holdings in common equity  | 318.58    |  |
| 18  | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold) |           |  |
| 19  | Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)   |           |  |

|  |   |                 |  |
|--|---|-----------------|--|
| 20   | Mortgage servicing rights (amount above 10% threshold)  |                 |  |
| 21   | Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)   |                 |  |
| 22   | Amount exceeding the 15% threshold  |                 |  |
| 23   | <i>of which:</i> significant investments in the common stock of financial entities  |                 |  |
| 24   | <i>of which:</i> mortgage servicing rights  |                 |  |
| 25   | <i>of which:</i> deferred tax assets arising from temporary differences   |                 |  |
| 26   | National specific regulatory adjustments (26a+26b+26c+26d)  | 1331.49         |  |
| 26a  | <i>of which:</i> Investments in the equity capital of unconsolidated insurance subsidiaries   | 1319.68         |  |
| 26b  | <i>of which:</i> Investments in the equity capital of unconsolidated non-financial subsidiaries   | 11.81           |  |
| 26c  | <i>of which:</i> Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank                      |                 |  |
| 26d  | <i>of which:</i> Unamortised pension funds expenditures   |                 |  |
| 27   | Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions                               |                 |  |
| 28   | <b>Total regulatory adjustments to Common equity Tier 1</b>   | 3927.30         |  |
| 29   | <b>Common Equity Tier 1 capital (CET1)</b>  | 243142.32       |  |
| <b>Additional Tier 1 capital: instruments</b>            |   |                 |  |
| 30   | Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)   | 32029.00        |  |
| 31   | <i>of which:</i> classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)                                  |                 |  |
| 32   | <i>of which:</i> classified as liabilities under applicable accounting standards (Perpetual debt Instruments)   | 32029.00        |  |
| 33   | Directly issued capital instruments subject to phase out from Additional Tier 1   |                 |  |
| 34   | Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1) | 254.72          |  |
| 35   | <i>of which:</i> instruments issued by subsidiaries subject to phase out  |                 |  |
| 36   | <b>Additional Tier 1 capital before regulatory adjustments</b>  | <b>32283.72</b> |  |
| <b>Additional Tier 1 capital: regulatory adjustments</b> |   |                 |  |
| 37   | Investments in own Additional Tier 1 instruments  | 88.84           |  |
| 38   | Reciprocal cross-holdings in Additional Tier 1 instruments  | 11.23           |  |

|   |  |                  |  |
|---|--|------------------|--|
| 39  | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)     |                  |  |
| 40  | Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)   |                  |  |
| 41  | National specific regulatory adjustments (41a+41b)   | 0.00             |  |
| 41a   | <i>of which:</i> Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries   |                  |  |
| 41b   | <i>of which:</i> Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank  |                  |  |
| 42  | Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions   |                  |  |
| 43  | <b>Total regulatory adjustments to Additional Tier 1 capital</b>   | 100.07           |  |
| 44  | <b>Additional Tier 1 capital (AT1)</b>   | <b>32183.65</b>  |  |
| 45  | <b>Tier 1 capital (T1 = CET1 + AT1) (29 + 44)</b>  | <b>275325.97</b> |  |
| <b>Tier 2 capital: instruments and provisions</b> |  |                  |  |
| 46  | Directly issued qualifying Tier 2 instruments plus related stock surplus   | 33111.30         |  |
| 47  | Directly issued capital instruments subject to phase out from Tier 2   | 951.04           |  |
| 48  | Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)   | 785.95           |  |
| 49  | <i>of which:</i> instruments issued by subsidiaries subject to phase out   |                  |  |
| 50  | Provisions   | 18938.55         |  |
| 51  | <b>Tier 2 capital before regulatory adjustments</b>  | <b>53786.84</b>  |  |
| <b>Tier 2 capital: regulatory adjustments</b>     |  |                  |  |
| 52  | Investments in own Tier 2 instruments  | 386.15           |  |
| 53  | Reciprocal cross-holdings in Tier 2 instruments  |                  |  |
| 54  | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold) |                  |  |
| 55  | Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)  |                  |  |
| 56  | National specific regulatory adjustments (56a+56b)   | 0.00             |  |

|   |  |                   |      |
|---|--|-------------------|------|
| 56a   | <i>of which:</i> Investments in the Tier 2 capital of unconsolidated insurance subsidiaries  |                   |      |
| 56b   | <i>of which:</i> Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank   |                   |      |
| 57  | <b>Total regulatory adjustments to Tier 2 capital</b>  | 386.15            |      |
| 58  | <b>Tier 2 capital (T2)</b>   | 53400.69          |      |
| 59  | <b>Total capital (TC = T1 + T2) (45 + 58)</b>  | <b>328726.65</b>  |      |
| 60  | <b>Total risk weighted assets (60a + 60b + 60c)</b>  | <b>2353096.02</b> |      |
| 60a   | <i>of which:</i> total credit risk weighted assets   | 1847244.71        |      |
| 60b   | <i>of which:</i> total market risk weighted assets   | 268447.28         |      |
| 60c   | <i>of which:</i> total operational risk weighted assets  | 237404.03         |      |
| <b>Capital ratios and buffers</b>   |  |                   |      |
| 61  | Common Equity Tier 1 (as a percentage of risk weighted assets)   | 10.33             |      |
| 62  | Tier 1 (as a percentage of risk weighted assets)   | 11.70             |      |
| 63  | Total capital (as a percentage of risk weighted assets)  | 13.97             |      |
| 64  | Institution specific buffer requirement (minimum CET1 requirement plus capital conservation plus countercyclical buffer requirements plus G-SIB buffer requirement, expressed as a percentage of risk weighted assets) | 7.98              |      |
| 65  | <i>of which:</i> capital conservation buffer requirement   | 1.88              |      |
| 66  | <i>of which:</i> bank specific countercyclical buffer requirement  |                   |      |
| 67  | <i>of which:</i> D-SIB buffer requirement  | 0.60              |      |
| 68  | Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)   | 4.83              |      |
| <b>National minima (if different from Basel III)</b>                      |  |                   |      |
| 69  | National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)  | 5.50              |      |
| 70  | National Tier 1 minimum ratio (if different from Basel III minimum)  | 7.00              |      |
| 71  | National total capital minimum ratio (if different from Basel III minimum)   | 9.00              |      |
| <b>Amounts below the thresholds for deduction (before risk weighting)</b> |  |                   |      |
| 72  | Non-significant investments in the capital of other financial entities   |                   |      |
| 73  | Significant investments in the common stock of financial entities  | 567.62            |      |
| 74  | Mortgage servicing rights (net of related tax liability)   |                   |      |
| 75  | Deferred tax assets arising from temporary differences (net of related tax liability)  | 7195.35           |      |
| <b>Applicable caps on the inclusion of provisions in Tier 2</b>           |  |                   |      |
| 76  | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)   | 18938.55          | 0.00 |
| 77  | Cap on inclusion of provisions in Tier 2 under standardised approach   | 23090.56          | 0.00 |

| 78   | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)   | 0.00           |      |
|--|--|----------------|------|
| 79   | Cap for inclusion of provisions in Tier 2 under internal ratings-based approach  | 0.00           |      |
| <b>Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)</b> |  |                |      |
| 80   | Current cap on CET1 instruments subject to phase out arrangements  | 0.00           |      |
| 81   | Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)  | 0.00           |      |
| 82   | Current cap on AT1 instruments subject to phase out arrangements   | 10%            |      |
| 83   | Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)   |                |      |
| 84   | Current cap on T2 instruments subject to phase out arrangements  | 10%            |      |
| 85   | Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)  |                |      |
| <b>Notes to the Template</b>   |  |                |      |
| Row No. of the template  | Particular   | (Rs. in Crore) |      |
| 10   | Deferred tax assets associated with accumulated losses   | 2.19           | 0    |
|  | Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability   | 7195.35        | 0.00 |
|  | Total as indicated in row 10   | 2.19           | 0    |
| 19   | If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank | 0.00           |      |
|  | <i>of which:</i> Increase in Common Equity Tier 1 capital  | 0.00           |      |
|  | <i>of which:</i> Increase in Additional Tier 1 capital   | 0.00           |      |
|  | <i>of which:</i> Increase in Tier 2 capital  | 0.00           |      |
| 26b  | If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:  | 0.00           |      |
|  | (i) Increase in Common Equity Tier 1 capital   | 0.00           |      |
|  | (ii) Increase in risk weighted assets  | 0.00           |      |
| 50   | Eligible Provisions included in Tier 2 capital   | 18938.55       | 0.00 |
|  | Eligible Revaluation Reserves included in Tier 2 capital   |                |      |
|  | Total of row 50  | 18938.55       | 0.00 |
| # B7: Revenue & Other Reserves is taken net of Integration & Development Fund (Rs. 5 Crore)                              |  |                |      |



**DF-12: COMPOSITION OF CAPITAL – RECONCILIATION REQUIREMENT**

**As on 31.03.2021**

*(Rs. in crores)*

|          |  | <b>Balance sheet as in financial statements</b> | <b>Balance sheet under regulatory scope of consolidation</b> | <b>Reference number</b> |
|----------|--|---|--|-------------------------|
|          |  | <b>As on reporting date</b>                     | <b>As on reporting date</b>                                  |                         |
| <b>A</b> | <b>Capital &amp; Liabilities</b>   |   |  |                         |
| i        | Paid-up Capital  | 892.46  | 892.46   | A                       |
|          | <i>of which: Amount eligible for CET 1</i>                               | 892.46  | 892.46   | A1                      |
|          | <i>of which: Amount eligible for AT1</i>                                 | -   | -  | A2                      |
|          | Reserves & Surplus   | 274669.11                                       | 263411.43  | B                       |
|          | <i>of which: Statutory Reserve</i>                                       | 77170.12  | 77170.08   | B1                      |
|          | <i>of which: Capital Reserves</i>  | 15434.69  | 15433.33   | B2                      |
|          | <i>of which: Share Premium</i>   | 79115.47  | 79115.47   | B3                      |
|          | <i>of which: Investment Reserve</i>                                      | -   | -  | B4                      |
|          | <i>of which: Investment Revaluation Reserve</i>                          | 3048.08   | 3048.08  |                         |
|          | <i>of which: Foreign Currency Translation Reserve</i>                    | 10290.42  | 10288.72   | B5                      |
|          | <i>of which: Revaluation Reserve on Fixed Assets</i>                     | 23577.35  | 23577.35   | B6                      |
|          | <i>of which: Revenue and Other Reserves</i>                              | 43407.92  | 38146.09   | B7                      |
|          | <i>of which: Reserves under Sec. 36(1)(viii) of Income Tax Act, 1961</i> | 14528.52  | 14528.52   | B8                      |
|          | <i>of which: Balance in Profit &amp; Loss Account</i>                    | 8096.54   | 2103.79  | B8                      |
|          | Minority Interest  | 9625.92   | 4154.18  |                         |
|          | <b>Total Capital</b>   | <b>285187.49</b>                                | <b>268458.07</b>   |                         |
| ii       | <b>Deposits</b>  | <b>3715331.23</b>                               | <b>3716470.18</b>  |                         |
|          | of which: Deposits from banks  | 10961.97  | 10961.97   |                         |
|          | of which: Customer deposits  | 3704369.26                                      | 3705508.21   |                         |
|          | of which: Other deposits (pl. specify)                                   |   |  |                         |
| iii      | <b>Borrowings</b>  | 433796.21                                       | 434018.28  |                         |
|          | of which: From RBI   | 24956.00  | 24956.00   |                         |
|          | of which: From banks   | 127811.60                                       | 127811.60  |                         |
|          | of which: From other institutions & agencies                             | 211180.09                                       | 211402.16  |                         |
|          | of which: Others (pl. specify)   | -   | -  |                         |
|          | of which: Capital instruments  | 69848.52  | 69848.52   |                         |
| iv       | <b>Other liabilities &amp; provisions</b>                                | <b>411303.62</b>                                | <b>187575.36</b>   |                         |
|          | of which: DTLs related to goodwill                                       |   |  |                         |
|          | of which: DTLs related to intangible assets                              |   |  |                         |
|          | <b>Total</b>   | <b>4845618.55</b>                               | <b>4606521.89</b>  |                         |

|          |  |                   |                   |   |
|----------|--|-------------------|-------------------|---|
| <b>B</b> | <b>Assets</b>  |                   |                   |   |
| i        | <b>Cash and balances with Reserve Bank of India</b>          | <b>213498.62</b>  | <b>213419.76</b>  |   |
|          | <b>Balance with banks and money at call and short notice</b> | <b>134208.42</b>  | <b>131727.33</b>  |   |
| ii       | <b>Investments</b>   | <b>1595100.26</b> | <b>1365305.75</b> |   |
|          | of which: Government securities                              | 1161657.44        | 1084854.62        |   |
|          | of which: Other approved securities                          | 27970.45          | 227.18            |   |
|          | of which: Shares   | 69005.39          | 8027.90           |   |
|          | of which: Debentures & Bonds                                 | 223935.09         | 182941.85         |   |
|          | of which: Subsidiaries / Joint Ventures / Associates         | 13354.64          | 10149.43          |   |
|          | of which: Others (Commercial Papers, Mutual Funds etc.)      | 99177.25          | 79104.77          |   |
| iii      | <b>Loans and advances</b>                                    | <b>2500598.99</b> | <b>2500239.93</b> |   |
|          | of which: Loans and advances to banks                        | 84976.68          | 84976.68          |   |
|          | of which: Loans and advances to customers                    | 2415622.31        | 2415263.25        |   |
| iv       | <b>Fixed assets</b>  | <b>40166.79</b>   | <b>39311.45</b>   |   |
| v        | <b>Other assets</b>  | <b>360495.48</b>  | <b>354967.68</b>  |   |
|          | of which: Goodwill   | -                 | -                 |   |
|          | of which: Other intangibles (excluding MSRs)                 | 2.00              | 2.00              |   |
|          | of which: Deferred tax assets                                | 7244.80           | 7226.42           | C |
| vi       | <b>Goodwill on consolidation</b>                             | <b>1549.99</b>    | <b>1549.99</b>    | D |
| vii      | <b>Debit balance in Profit &amp; Loss account</b>            |                   |                   |   |
|          | <b>Total Assets</b>  | <b>4845618.55</b> | <b>4606521.89</b> |   |

| Common Equity Tier 1 capital (CET1): instruments and reserves |   |  | Ref No.<br>(with respect to DF - 12: Step 2) |
|---|---|--|--|
|   |   | Component of regulatory capital reported by bank |  |
| 1   | Directly issued qualifying common share (and equivalent for non - joint stock companies) capital plus related stock surplus | 80007.93   | A1 + B3                                      |
| 2   | Retained earnings   | 147376.81  | B1 + B2 + B7 + B8 + B9 (#)                   |
| 3   | Accumulated other comprehensive income (and other reserves)   | 18326.35   | B5 * 75% + B6 * 45%                          |
| 4   | <i>Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)</i>                |  |  |
| 5   | Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)                        | 1358.53  |  |
| 6   | Common Equity Tier 1 capital before regulatory adjustments  | 247069.61  |  |
| 7   | Prudential valuation adjustments  | 597.62   |  |
| 8   | Goodwill (net of related tax liability)   | 1549.99  | D  |

# B7: Revenue & Other Reserves is taken net of Integration & Development Fund (Rs. 5 Crores)

### **DF 13: Main features of Regulatory Capital Instruments**

### **DF 14: Full Terms and Conditions of Regulatory Capital Instruments**

These disclosures i.e. DF 13 and DF 14 have been uploaded on the Bank's website i.e. [www.sbi.co.in/portal/web/corporate-governance/basel-iii-disclosures](http://www.sbi.co.in/portal/web/corporate-governance/basel-iii-disclosures)

### **DF 15 – Disclosure Requirements for Remuneration**

Not applicable, as Private sector and foreign banks operating in India are required to make this disclosure.

**DF-16: Equities - Disclosure for Banking Book Positions as on 31.03.2021**

| <b>Qualitative Disclosures</b>  |  |              |         |   |
|---------------------------------|--|--------------|---------|---|
| 1                               | The general qualitative disclosure with respect to equity risk, including:   |              |         |   |
|                                 | <ul style="list-style-type: none"> <li>Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons;</li> </ul>  |              |         | All equity investment in HTM Category are made in Associates, Subsidiaries, Joint Ventures and RRBs. These are strategic in nature. |
|                                 | <ul style="list-style-type: none"> <li>Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices</li> </ul> |              |         | Accounting and valuation policies for securities held under HTM category are detailed under Schedule 17 in Bank's Annual Report.    |
| <b>Quantitative Disclosures</b> |  |              |         |   |
| 1                               | Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.  |              |         | Rs. 828.09 Crores   |
| 2                               | The types and nature of investments, including the amount that can be classified as:   |              |         |   |
|                                 | Particulars  | Type         |         | Book Value (In Crores)  |
|                                 | Publicly traded  | Subsidiaries | HTM     | 2497.27   |
|                                 |  | Associate    | AFS     | 7810.00   |
| Privately held                  | Associates, Subsidiaries, JVs & RRBs   | HTM          | 2309.63 |   |
| 3                               | The cumulative realized gains (losses) arising from sales and liquidations in the reporting period   |              |         | 1,550.96 cores (Gain)   |
| 4                               | Total unrealized gains (losses) <sup>13</sup>  |              |         | 11.24 crores (Unrealized loss)  |
| 5                               | Total latent revaluation gains (losses) <sup>14</sup>  |              |         | Rs. 3916 crores (MTM Gain)  |
| 6                               | Any amounts of the above included in Tier 1 and/or Tier 2 capital  |              |         | Rs. 8.44 crores   |
| 7                               | Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements   |              |         | Nil   |

<sup>13</sup> Unrealised gains (losses) recognized in the balance sheet but not through the profit and loss account.

<sup>14</sup> Unrealised gains (losses) not recognized either in the balance sheet or through the profit and loss account.

**DF-17: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO  
EXPOSURE MEASURE**

**AS ON 31.03.2021**

|          | <b>ITEM</b>  | <b>Rs. (In millions)</b> |
|----------|--|--------------------------|
| <b>1</b> | Total consolidated assets as per published financial statements  | 48456185.00              |
| <b>2</b> | Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation | -2390967.00              |
| <b>3</b> | Adjustment for fiduciary assets recognized on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure               | 62857.00                 |
| <b>4</b> | Adjustments for derivative financial instruments   | 460792.00                |
| <b>5</b> | Adjustment for securities financing transactions (i.e. repos and similar secured lending)  | 0.00                     |
| <b>6</b> | Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)   | 4622696                  |
| <b>7</b> | Other adjustments  | -117903.00               |
| <b>8</b> | <b>Leverage ratio exposure (State Bank Group)</b>  | <b>51093660</b>          |

**DF-18: LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE**

**As on 31.03.2021**

|    | <b>ITEM</b>  | <b>(Rs. in Millions)</b> |
|----|--|--------------------------|
|    | <b>On balance sheet exposures</b>  |                          |
| 1  | On-balance sheet items (excluding derivatives and SFTs, but including collateral)  | 46065218.00              |
| 2  | (Asset amounts deducted in determining Basel III Tier 1 capital)   | -117903.00               |
| 3  | <b>Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)</b>  | <b>45947315.00</b>       |
|    | <b>Derivatives exposures</b>   |                          |
| 4  | Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)                               | 144086.00                |
| 5  | Add-on amounts for PFE associated with all derivatives transactions  | 316706.00                |
| 6  | Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework | 0                        |
| 7  | (Deductions of receivables assets for cash variation margin provided in derivatives transactions)  | 0                        |
| 8  | (Exempted CCP leg of client-cleared trade exposures)   | 0                        |
| 9  | Adjusted effective notional amount of written credit derivatives   | 0                        |
| 10 | (Adjusted effective notional offsets and add-on deductions for written credit derivatives)   | 0                        |
| 11 | <b>Total derivative exposures (sum of lines 4 to 10)</b>   | <b>460792.00</b>         |
|    | <b>Securities financing transaction exposure</b>   |                          |
| 12 | Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions                                      | 62857.00                 |
| 13 | (Netted amounts of cash payables and cash receivables of gross SFT assets)   | 0                        |
| 14 | CCR exposure for SFT assets  | 0                        |
| 15 | Agent transaction exposures  | 0                        |
| 16 | <b>Total securities financing transaction exposures (sum of lines 12 to 15)</b>  | <b>62857.00</b>          |
|    | <b>Other off balance sheet exposures</b>   |                          |
| 17 | Off-balance sheet exposure at gross notional amount  | 10783417.00              |
| 18 | (Adjustments for conversion to credit equivalent amounts)  | -6160721.00              |
| 19 | <b>Off-balance sheet items (sum of lines 17 and 18)</b>  | <b>4622696.00</b>        |
|    | <b>Capital and total exposures</b>   |                          |
| 20 | <b>Tier 1 capital</b>  | <b>2753260.00</b>        |
| 21 | <b>Total exposures (sum of lines 3,11,16 and 19)</b>   | <b>51093660.00</b>       |
|    | <b>Leverage ratio</b>  |                          |
| 22 | <b>Basel III leverage ratio (%) (State Bank Group)</b>   | <b>5.39%</b>             |

**DF- GR: Additional Disclosures on Group Risk**  
**As on 31.03.2021**

| <b>Qualitative Disclosure</b>  |   |
|--|---|
| <b>In respect of Group entities *<br/>[Overseas Banking entities and Non-Banking entities]</b> |   |
| <b>General Description on</b>  |   |
| Corporate Governance Practices   | All Group entities adhere to good Corporate Governance practices.   |
| Disclosure Practices   | All Group entities adhere to / follow good disclosure practices.  |
| Arm's Length Policy in respect of Intra Group Transactions                                     | All Intra-Group transactions within the State Bank Group have been effected on Arm's Length basis, both as to their commercial terms and as to matters such as provision of security. |
| Common marketing, branding and use of SBI's Symbol   | No Group entity has made use of SBI symbol in a manner that may indicate to public that common marketing, branding implies implicit support of SBI to the Group entity.               |
| Details of Financial Support,# if any  | No Group entity has provided / received Financial Support from any other entity in the Group.   |
| Adherence to all other covenants of Group Risk Management policy                               | All covenants of the Group Risk Management Policy have meticulously been complied with by the Group entities.   |

*Intra-group transactions which may lead to the following have been broadly treated as 'Financial Support' #:*

- a) *inappropriate transfer of capital or income from one entity to the other in the Group;*
- b) *violation of the Arm's Length Policy within which the Group entities are expected to operate;*
- c) *adverse impact on the solvency, liquidity and profitability of the individual entities within the Group;*
- d) *evasion of capital or other regulatory requirements;*
- e) *operation of 'Cross Default Clauses' whereby a default by a related entity on an obligation (whether financial or otherwise) is deemed to trigger a default on itself.*

\* Entities covered:

| <b>BANKING - OVERSEAS</b>           | <b>NON - BANKING</b>                        |
|-------------------------------------|---|
| State Bank of India (Canada)        | SBI Capital Markets Ltd.                    |
| State Bank of India (California)    | SBI Cards & Payment Services Pvt. Ltd.      |
| SBI (Mauritius) Ltd.                | SBI DFHI Ltd.                               |
| PT Bank SBI Indonesia               | SBI Funds Management Pvt. Ltd.              |
| Commercial Indo Bank LLC, Moscow    | SBI General Insurance Company Ltd.          |
| Nepal SBI Bank Ltd.                 | SBI Global Factors Ltd.                     |
| State Bank of India (Botswana) Ltd. | SBI Life Insurance Co. Ltd.                 |
| State Bank of India (UK)            | SBI Pension Funds Pvt. Ltd.                 |
|                                     | SBI-SG Global Securities Services Pvt. Ltd. |