



### **QUARTERLY RESULTS**

**Q2FY21** 

**Analyst Presentation** 

04.11.2020











#### Safe Harbor

Certain statements in these slides are forward-looking statements. These statements are based on Management's current expectations and are subject to uncertainty and changes in circumstances. Actual outcomes may differ materially from those included in these statements due to a variety of factors.

#### Contents

**Performance Highlights** Financial Performance **Business** Capital Adequacy & Asset Quality **Digital Journey** Financial Inclusion & Sustainability Subsidiaries, Group Financials & Balance Sheet

#### **Macro-Economic Indicators**



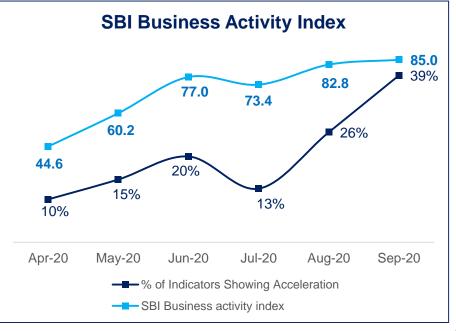
#### **High Frequency Indicators**

- Most HFIs (Apple Mobility, PMI manufacturing and services, petrol consumption and Air quality) all showing improved economic activity
- E-way bills of 5.74 crore in September this year, up 9.3% YoY and stayed above 5 cr in Oct 20
- Electricity Demand mixed; weekly variation shows pick up in Electricity Demand during the last week in many states

#### **Activity Levels**

- Most companies commenting that their activity levels are 70-80% of pre-COVID levels. Our assessment also suggests that activity is closer to 90% of pre-pandemic levels
- Vehicle registration growth positive for tractors and passenger vehicles, seeing positive trend
- GST collections surpass Rs 1.05 lakh cr for Oct 20, up 10% YoY; highest recorded since Feb 20

SBI Composite Index	SBI Composite Index	Monthly Index	Remarks
and SBI Business	Oct-19	50.8	Low Growth
Activity Index both show	Sep-20	58.0	High Growth
upward momentum in Sep-20	Oct-20	59.3	High Growth



Source: SBI Research

#### **Key trends in Q2FY21**



#### **CREDIT GROWTH**

- Credit growth in Retail back to pre-COVID 19 levels
- Disbursements and sanctions are significantly higher YoY for Sept 20 and Q2FY21 across retail products

#### **ASSET QUALITY**

- Asset quality outcomes better than expectations
- Collection Efficiency (excl. Agri\*) at 97%

#### **NIM**

- Domestic NIMs up by 12 bps YoY/ 10 bps QoQ to 3.34%
- Sufficient liquidity (credit deposit ratio at 61.27%) to fund credit growth which is on the mend

#### LIABILITY FRANCHISE

- Strong liability franchise driven by brand, trust and distribution
- Savings account balances up 16.28% YoY
- Total deposit base of Rs. 34.7
   lakh crores

#### **CAPITAL**

- Raised Rs. 19,931 crores in Tier 2 and AT1 capital during the quarter
- Set new benchmarks in spreads and reviving AT 1 market

#### **DIGITISATION**

 38% of retail asset accounts and 60% of savings accounts being added through digital channels

<sup>\*</sup> Agri repayments mostly linked to cropping seasons, hence excluded here

#### **Key Indicators**



		F	or the quart	er	YoY	0.10	Rs. in Crores
		Q2FY20	Q1FY21	Q2FY21	Growth	CAS	A
	Net Interest Income	24,600	26,642	28,181	14.56%	8.55%	16.28%
	Net Interest Margin – Domestic (%)	3.22	3.24	3.34	12 bps	2,12,057	13,14,950
Profit & Loss	Operating Profit	18,199	18,061	16,460	-9.56%	1,50,040	11,30,022
(in Rs. Crore)	Operating Profit (excl. one-off Items)*	14,714	16,521	16,460	11.86%		
	Profit Before Tax	5,060	5,560	6,341	<b>1</b> 25.33%	Current Account	Savings Account
	Net Profit	3,012	4,189	4,574	<b>1</b> 51.88%	■ Q2FY20 ■ Q2FY21	■Q2FY20 ■Q2FY21
	Credit Cost	1.97	1.56	0.94	103 bps	Retail Per Advances	Return on Assets (Annualized)
Key	Net NPA	2.79	1.86	1.59	120 bps	14.00%	11 bps 0.44%
Ratios (in %)	PCR	81.23	86.32	88.19	1 696 bps	7,85,345 6,85,570	0.33%
	Capital Adequacy	13.59	13.40	14.72	113 bps		
Balance	Total Advances	22,48,313	23,85,639	23,83,624	6.02%		
Sheet (in Rs.	Total Deposits	30,33,396	34,19,363	34,70,462	14.41%	■Q2FY20 ■Q2FY21	■Q2FY20 ■Q2FY21
Crore)	Retail Personal Advances	6,85,570	7,48,800	7,85,345	14.55%	<u> </u>	= \( \alpha \)       \( \alpha \)

<sup>\*</sup>One off items: stake sale in SBI Life - Rs.3,484 Crs in Q2FY20 & Rs.1,540 Crs in Q1FY21

#### SBI – An institution, a legacy, a commitment

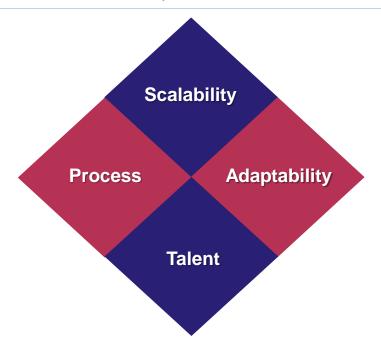


#### An institution – with unmatched scale and commitment to sustainable profitability

- Sustaining a strong liability franchise and a profitable business model through economic cycles
- A scalable lending business
- Lowest RWA/ Total assets in industry at ~51%

#### Deep domain knowledge - Banking process leadership

- Revived successfully the then 4<sup>th</sup> largest Pvt. Bank in an unique PPP effort
- Process oriented; supported by institutionalised decision making



#### Demonstrated capability to change with times

- Maintained Leadership through product innovation
- Rapidly developed a leadership position in technology and digital banking
- Strongly supported by AI/ML driven Data Analytics.

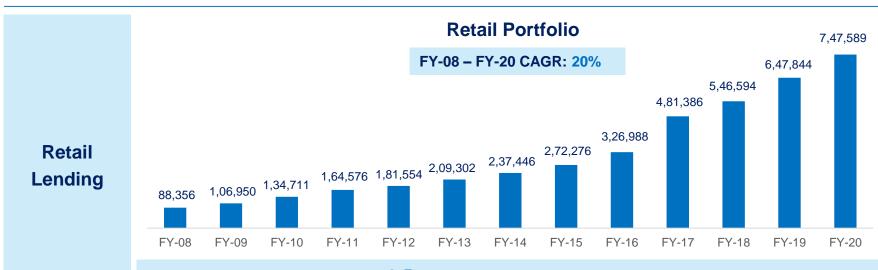
#### **Banking talent and experience storehouse**

- SBI talent heading private sector banks, public sector banks and other multilateral institutions
- Demonstrates expertise, holistic perspective and a strong leadership pipeline

#### **SBI:** Evolving, transforming and creating value (1/2)



#### The Bank has identified structural changes, harnessed opportunities and evolved continually



 The Retail business has grown 8.5x over the last twelve years, while maintaining leadership position in corporate lending

### Digitization and YONO Journey

- Digital channels form 65% of transactions
- Market leading super-app YONO
- Loan portfolio of ~Rs 25,000 crs and liability portfolio of ~Rs 60,000 crs through YONO.
- Not constrained by legacy of an incumbent
- Utilizing scale and experience to deliver long term value to all stakeholders

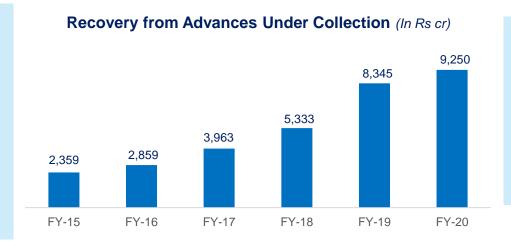


#### **SBI:** Evolving, transforming and creating value (2/2)



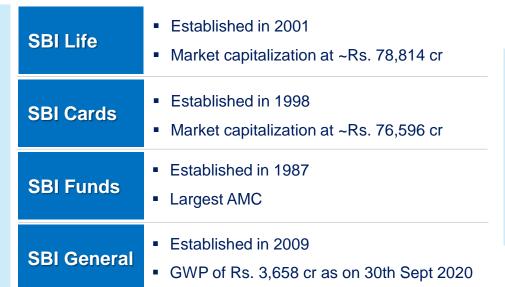
#### The Bank has identified structural changes, harnessed opportunities and evolved continually

Specialized
Stressed
Asset
Resolution
Vertical



- Industry best Stressed assets resolution group
- Created in-house and fine tuned over the last five years
- A value driver for the Bank and instrumental in most successful resolutions for the industry

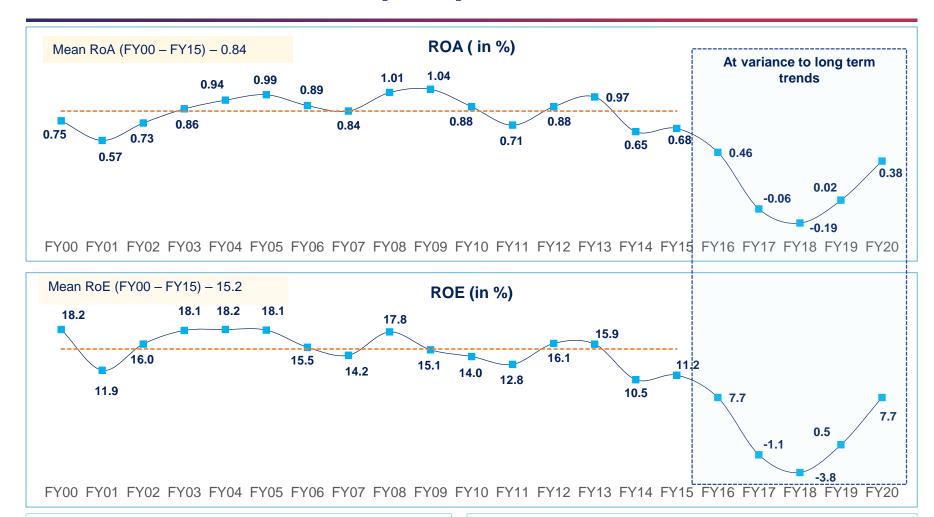
Market Leading Subsidiaries



- Created subsidiaries with scale and profitability
- World class partners, superior corporate governance and risk management practices

#### **Sustainable RoE – A perspective**





#### Sustainable ROE of ~15% +

The Bank consistently delivered **double digit ROEs** (FY00–FY15) 15%+ ROEs for 10 years

**FY17, 18 and 19 are aberrations** – Reflects the most difficult phase of **corporate asset quality** cycle - An uptick is clearly visible now

#### A perspective on Capital



#### Effective cost of liabilities is significantly lower than the private sector peers

- Deposits make 83% of liabilities, at an average cost of 4.35%
- □ SBI's AT 1 and Tier 2 instruments trade at much lower yields than peers; SBI's AT1 issue in Sep-20 revived the AT1 market (Gold standard benchmark)
- ☐ Upfronted bond programme due to favourable market conditions; calls due on bonds in H2FY21 ~Rs 18,000 Crs

#### Lower RWAs owing to its unique position in Indian Banking system

RWAs are lower, driven by a low risk and risk mitigated lending portfolio – low risk retail, lower risk corporates

#### Internal accruals can address foreseeable credit growth

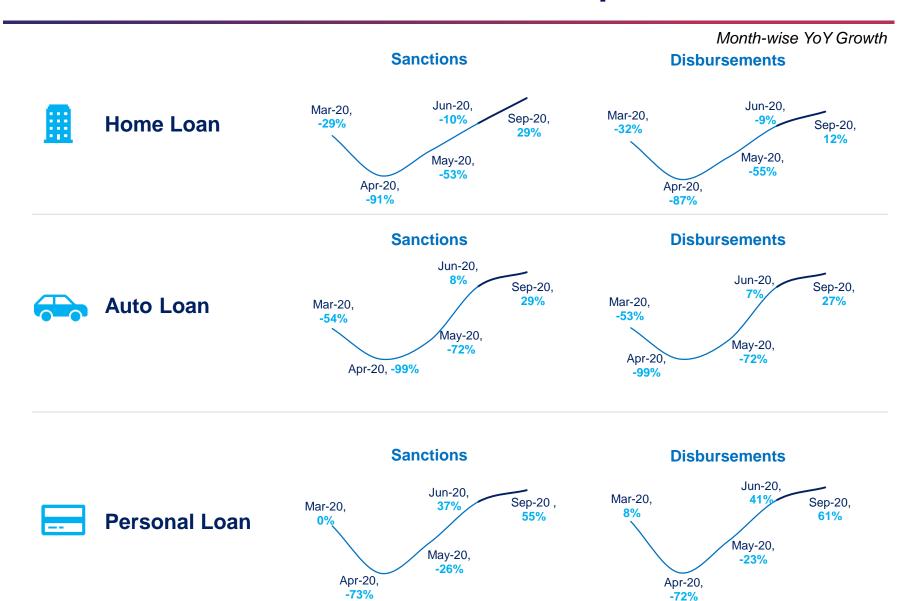
- Board mandated policy is to maintain CET1 and CRAR at 100 bps above regulatory requirement
- ☐ The Bank has a strong visibility of internal accruals over next 24 months, which in turn will enhance capital ratios

SBI bond
issuance continue
to attract huge
investor interest
and set new
benchmarks

	Issuance De	Spread over G-Sec			
Instrument Type	Month	Coupon	Amount	SBI	Peer PSBs
Tier 2	Aug-20	6.80%	8,931	0.75%	2.18%
Tier 2	Sep-20	6.24%	7,000	0.67%	1.77%
AT-1	Sep-20	7.74%	4,000	2.30%	3.45%
Tier-2	Oct-20	5.83%	5,000	0.46%	1.86%

#### Credit offtake trend continues to improve



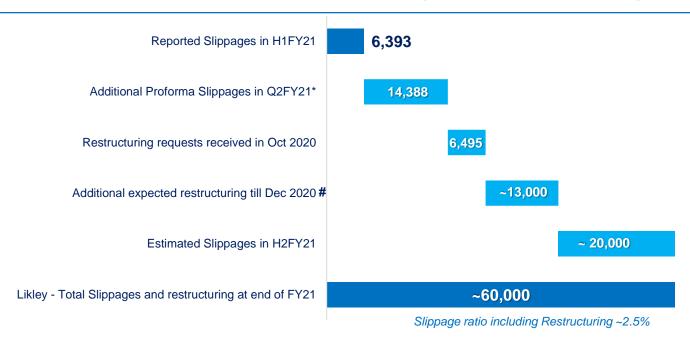


#### **Asset Quality trends**



Rs. in Crores

#### **Assessment of Slippages and Restructuring**



#### In the current credit cycle we expect to outperform industry

- Corporate credit mainly to highly rated corporates, limited impact from Covid
- Large proportion of Retail book in SBI is to customers employed in Govt./ quasi-Govt./ large corporates
- SME sector supported by Govt guaranteed lending scheme; liberalized financing and handholding
- Significant proportion of International Banking book is to Govt/ PSU entities and well rated Corporates

<sup>\*</sup> Slippages but for Hon'ble. SC interim order dated 3rd Sept 2020 # Expected Restructuring for COVID, 7<sup>th</sup> June circular and MSME

#### **Provisions - details**



As on Sept 2020

Particulars	Total Outstanding (in Rs. Crore)	<b>Provisions</b> (in Rs. Crore)
Provisions made upto Q1FY21		
COVID provision made upto Q1FY21 on SMA accounts as on 29.02.2020, which paid less than two EMIs	13,349	3,008
Provisions made in Q2FY21		
Estimated slippage in Q2FY21, but for Hon. SC interim order on deferment of asset classification (incl. unrealized interest)	14,388*	3,194
Restructuring applications received in Oct 2020	6,495	650
Moratorium on International Book		239
Total COVID 19 provisions held		7,091

<sup>\*</sup> There is some overlap in SMA accounts as on 29.02.2020 which paid less than two EMIs as on June 2020 & proforma slippage in Q2FY21.

# Financial Performance

#### Financials – At a Glance



	Rs. in								
	Qı	uarter End	ed	Half Yea	r Ended	(	Growth (%)		
	Q2FY20	Q1FY21	Q2FY21	H1FY20	H1FY21	Q2FY21 over Q1FY21	Q2FY21 over Q2FY20	H1FY21 over H1FY20	
Interest Income	64,312	66,500	66,814	1,26,950	1,33,314	0.47	3.89	5.01	
Interest Expenses	39,712	39,859	38,633	79,411	78,491	-3.08	-2.72	-1.16	
Net Interest Income	24,600	26,642	28,181	47,539	54,823	5.78	14.56	15.32	
Non Interest Income*	12,023	9,497	8,528	20,038	18,025	-10.21	-29.07	-10.05	
Operating Income	36,623	36,139	36,709	67,577	72,848	1.58	0.24	7.80	
Operating Expenses	18,424	18,078	20,249	36,132	38,327	12.01	9.91	6.07	
Operating Profit	18,199	18,061	16,460	31,445	34,521	-8.87	-9.56	9.78	
Total Provisions	15,187	13,872	11,886	26,121	25,757	-14.32	-21.74	-1.39	
Net Profit	3,012	4,189	4,574	5,324	8,763	9.19	51.88	64.61	
NIM (Whole Bank) (%)	2.99	3.01	3.12	2.90	3.07	11 bps	13 bps	17 bps	
NIM (Domestic) (%)	3.22	3.24	3.34	3.11	3.29	10 bps	12 bps	18 bps	
Cost to Income Ratio (Cumulative) (%)	50.31	50.02	55.16	53.47	52.61	514 bps	485 bps	-86 bps	
Cost to Assets (%)	2.03	1.79	1.96	1.96	1.89	17 bps	-7 bps	-7 bps	

<sup>\*</sup> Includes one-off item o/a of stake sale in SBI Life of Rs.3,484 Crs in Q2FY20 and Rs.1,540 Crs in Q1FY21

#### **Total Income**



	Quarter Ended			Half Yea	r Ended	Growth (%)		
	Q2FY20	Q1FY21	Q2FY21	H1FY20	H1FY21	Q2FY21 over Q1FY21	Q2FY21 over Q2FY20	H1FY21 over H1FY20
Interest on Loans	45,242	44,101	43,378	89,106	87,479	-1.64	-4.12	-1.83
Interest on Resources	17,546	20,500	20,763	34,891	41,262	1.28	18.33	18.26
Other Interest income	1,524	1,899	2,674	2,953	4,573	40.78	75.48	54.87
<b>Total Interest Income</b>	64,312	66,500	66,814	1,26,950	1,33,314	0.47	3.89	5.01
Fee Income	5,040	4,471	5,243	10,217	9,713	17.27	4.01	-4.93
Profit/Loss on Sale of Investments	4,158	4,025	1,084	4,642	5,109	-73.06	-73.92	10.05
Forex Income	673	468	528	1,191	996	12.82	-21.50	-16.34
Misc. Income	2,152	534	1,673	3,988	2,206	213.37	-22.28	-44.67
of which: Recovery in AUCA accounts	1,864	448	1,395	3,222	1,843	211.43	-25.14	-42.79
Total Non Interest Income	12,023	9,497	8,528	20,038	18,025	-10.21	-29.07	-10.05
Total Income	76,335	75,998	75,342	1,46,988	1,51,339	-0.86	-1.30	2.96

#### **Fee Income Break Up**



	Qı	ıarter End	ed	Half Yea	r Ended	Growth (%)		
	Q2FY20	Q1FY21	Q2FY21	H1FY20	H1FY21	Q2FY21 over Q1FY21	Q2FY21 over Q2FY20	H1FY21 over H1FY20
Loan Processing Charges	766	825	1,296	1,383	2,121	57.14	69.32	53.42
Commission on Govt. Business	893	863	939	1,856	1,803	8.83	5.24	-2.87
Commission on LC/BG	717	676	728	1,421	1,405	7.64	1.49	-1.17
Cross Selling	491	309	528	857	837	71.09	7.51	-2.36
Account Maintenance Charges	255	148	102	498	250	-30.64	-59.88	-49.74
Remittance, Collection, etc.	1,614	961	1,266	3,220	2,226	31.74	-21.61	-30.87
Misc. Fee Income	304	689	383	982	1,071	-44.46	26.03	9.11
Fee Income	5,040	4,471	5,243	10,217	9,713	17.27	4.01	-4.93

#### **Total Expenses**



	0.	uarter Ende	ad	Half Voc	ear Ended Growth (%)			
	Q(	Quarter Effect			i Ellaea	Growth (76)		
	Q2FY20	Q1FY21	Q2FY21	H1FY20	H1FY21	Q2FY21 over Q1FY21	Q2FY21 over Q2FY20	H1FY21 over H1FY20
Interest on Deposits	36,746	36,839	35,849	73,049	72,688	-2.69	-2.44	-0.49
Interest on Borrowings	1,712	1,722	1,429	3,945	3,151	-17.05	-16.55	-20.13
Other Interest paid	1,254	1,297	1,355	2,417	2,652	4.47	8.02	9.74
<b>Total Interest Expenses</b>	39,712	39,859	38,633	79,411	78,491	-3.08	-2.72	-1.16
Salary	6,757	7,032	6,933	13,526	13,965	-1.42	2.59	3.25
Provisions for Employees	4,545	4,833	5,637	8,695	10,470	16.65	24.03	20.42
Staff Expenses	11,303	11,865	12,570	22,221	24,435	5.94	11.21	9.97
Depreciation	809	820	820	1,588	1,640	0.05	1.42	3.29
Others	6,313	5,393	6,859	12,324	12,252	27.19	8.65	-0.58
Overheads	7,122	6,213	7,679	13,912	13,892	23.61	7.83	-0.14
Operating Expenses	18,424	18,078	20,249	36,132	38,327	12.01	9.91	6.07
Total Expenses	58,136	57,936	58,882	1,15,543	1,16,819	1.63	1.28	1.10

#### **Overheads**



Rs. in Crores									
	Qı	ıarter End	led	Half Yea	r Ended	C	Frowth (%	<b>5</b> )	
	Q2FY20	Q1FY21	Q2FY21	H1FY20	H1FY21	Q2FY21 over Q1FY21	Q2FY21 over Q2FY20	H1FY21 over H1FY20	
Rent, Taxes and Lighting	1,361	1,052	1,308	2,542	2,360	24.25	-3.91	-7.14	
Depreciation	809	820	820	1,588	1,640	0.05	1.42	3.29	
Printing and Stationery	123	84	116	221	201	38.19	-5.29	-9.19	
Postage & Telecommunications	91	48	75	165	122	57.48	-18.13	-25.73	
Repairs and Maintenance to Bank's Property	233	163	206	428	369	27.00	-11.32	-13.86	
Travelling & Halting	280	167	199	517	365	19.10	-29.21	-29.33	
Deposit & General Insurance	753	953	1,089	1,569	2,042	14.28	44.55	30.15	
Business Acquisitions & Development Expenses	629	599	1,051	1,313	1,649	75.54	66.92	25.56	
ATM /CDM/Debit Card /Other Tech Expenses	1,761	1,372	1,638	3,409	3,011	19.37	-6.98	-11.68	
Misc. Expenses	1,080	955	1,177	2,160	2,132	23.21	8.95	-1.27	
Overheads	7,122	6,213	7,679	13,912	13,892	23.61	7.83	-0.14	

#### **Provisions & Profit**



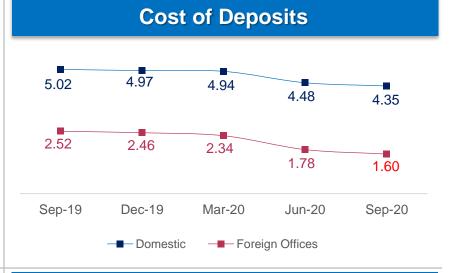
	Q	Quarter Ended			r Ended	Growth (%)		
	Q2FY20	Q1FY21	Q2FY21	H1FY20	H1FY21	Q2FY21 over Q1FY21	Q2FY21 over Q2FY20	H1FY21 over H1FY20
Operating Profit	18,199	18,061	16,460	31,445	34,521	-8.87	-9.56	9.78
Loan Loss	11,041	9,420	5,619	22,689	15,040	-40.35	-49.10	-33.71
Standard Assets	297	282	-257	-991	25			
Investment Depreciation	-919	1,231	653	-2,144	1,884	-46.99	170.97	187.84
Other Provisions	2,721	1,568	4,103	2,769	5,671	161.78	50.82	104.84
Income Tax	2,048	1,370	1,767	3,799	3,138	28.96	-13.71	-17.41
<b>Total Provisions</b>	15,187	13,872	11,886	26,121	25,757	-14.32	-21.74	-1.39
Net Profit	3,012	4,189	4,574	5,324	8,763	9.19	51.88	64.61
ROA (%) (Annualized)	0.33	0.42	0.44	0.29	0.43			
ROE (%) (Annualized)		8.55		5.96	8.94			
Earning Per Share (Rs.)	13.43	18.83	20.33	11.93	19.59			

#### **Key Financial Ratios**

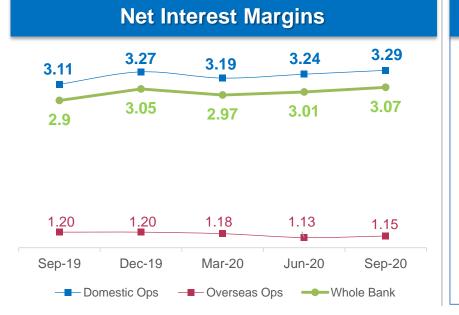


In %









#### Liquidity

- CD Ratio at ~61% is at cyclical lows
- Excess SLR at ~14%
- Sufficient liquidity and headroom to fund likely credit growth

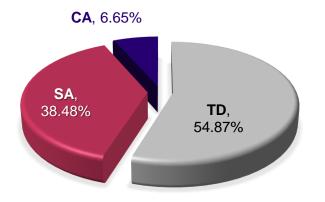
# Business

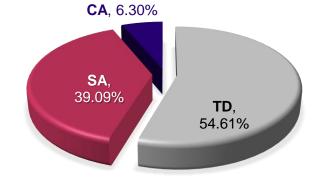
#### **Strong Liability Franchise**

**Sep 19** 









CASA: 45.13%

CASA: 45.39%

Rs. in Crores	Sep 19	Sep 20	YoY Growth (%)
Current Account	1,95,349	2,12,057	8.55
Saving Bank	11,30,822	13,14,950	16.28
CASA	13,26,171	15,27,007	15.14
Term Deposits (TD)	16,12,583	18,37,128	13.92
Domestic Deposits	29,38,754	33,64,135	14.47
Foreign Offices	94,641	1,06,327	12.35
Total Deposits	30,33,396	34,70,462	14.41

#### **Diversified Loan Portfolio**





**Sep 19** 

Retail Pers., 35.56%

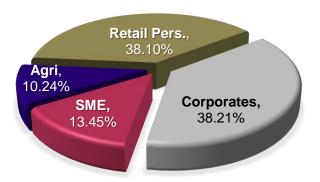
Agri, 10.50%

SME, 14.21%

Corporates, 39.73%

Retail: 60.27%

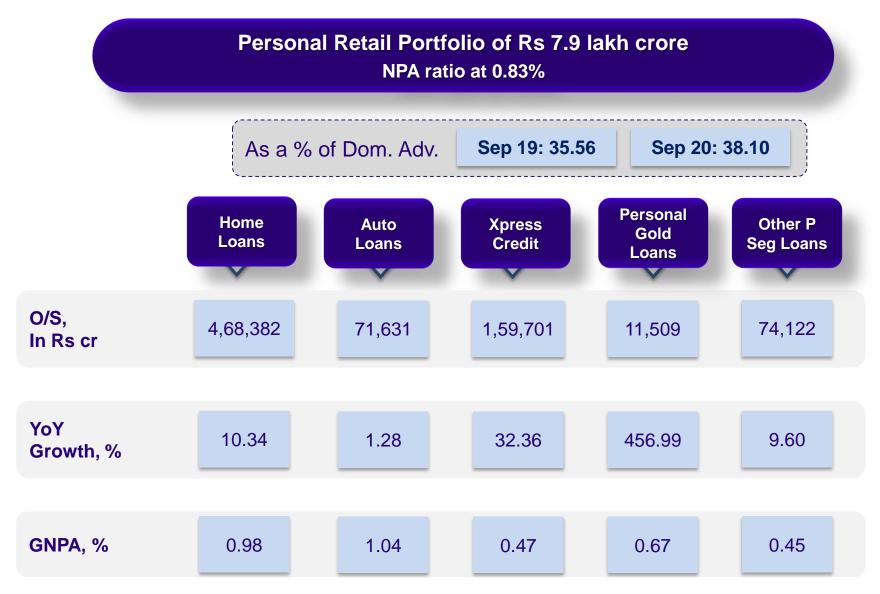
Sep 20



**Retail: 61.79%** 

Rs. in Crores	Sep 19	Sep 20	YoY Growth (%)
Retail Personal	6,85,570	7,85,345	14.55
Agri	2,02,462	2,10,945	4.19
SME	2,74,141	2,77,248	1.13
Corporates	7,65,986	7,87,559	2.82
Domestic Advances	19,28,158	20,61,098	6.89
Foreign Offices Advances	3,20,155	3,22,526	0.74
Total Whole Bank Advances	22,48,313	23,83,624	6.02
Total Whole Bank Advances (Including CP and Corporate Bonds)	23,88,925	25,79,216	7.97

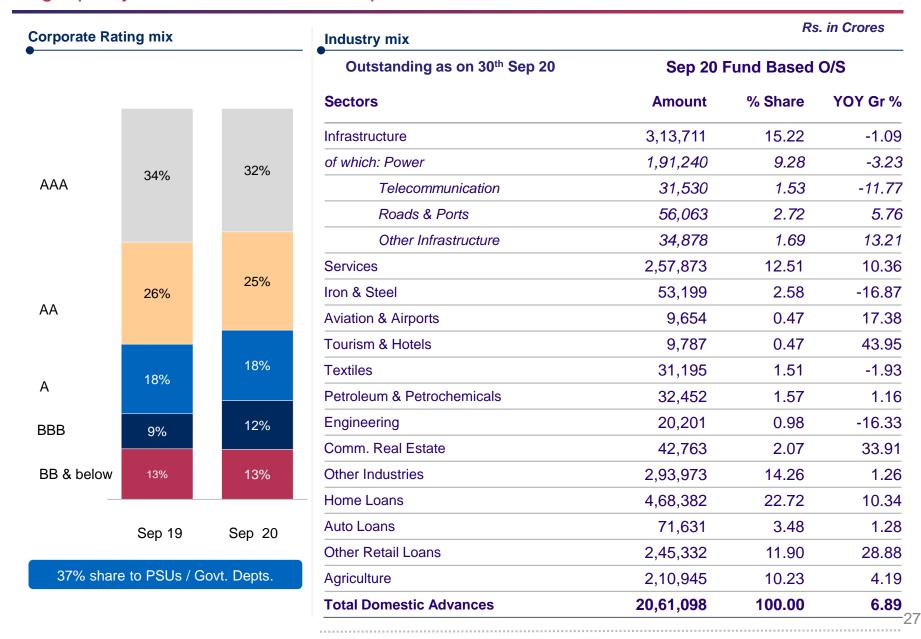




#### **Diversified Loan Portfolio**

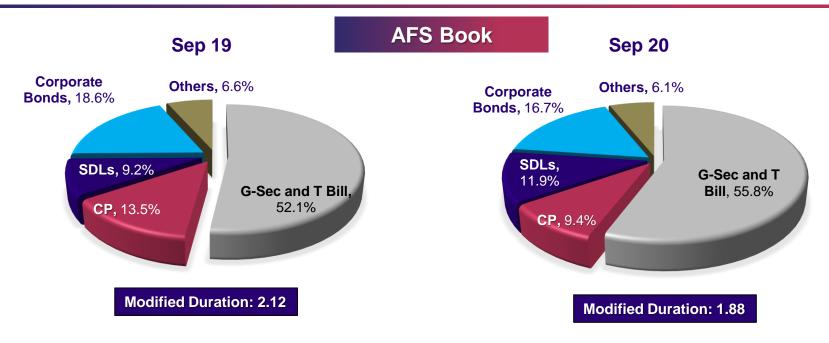


High quality asset book with lower exposure to under stress sectors



#### **Treasury Operations**





#### Break up of Domestic Investments (%)



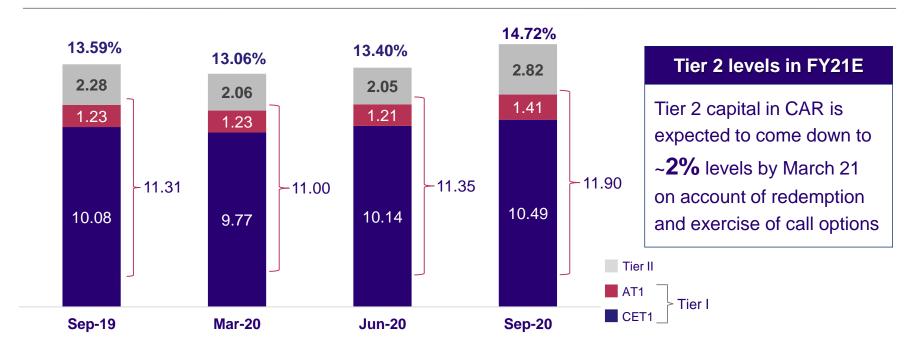
Total Investments Book (Rs. in Crores)	Sep 19	Sep 20
Domestic Investments	9,41,406	12,97,668
- of which- SLR	7,67,911	10,57,904
Foreign Offices Investments	52,339	42,467
Whole Bank Investments	9,93,745	13,40,135

## Capital Adequacy & Asset Quality

#### SBI remains a well-capitalized bank with adequate liquidity



#### **Capital ratios (%)**







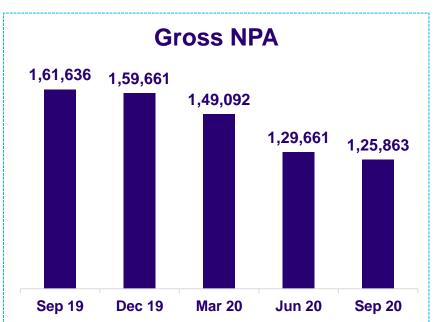
	Sep 19	Sep 20
Credit Risk Weighted Assets on Advances to Gross Advances (%)	55.31%	56.34%

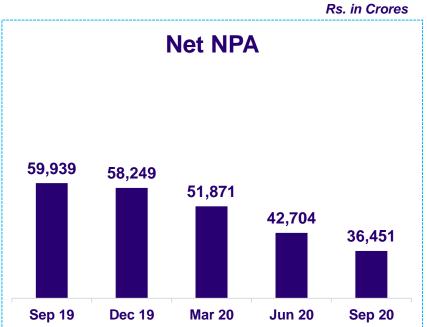
Adequate head room and risk appetite for credit growth

Sep 19 Jun 20 Sep 20

#### **Asset Quality (1/4)**







Cumulative for the Period 🗪	Sep 19	Dec 19	Mar 20	June 20	Sep 20
Gross NPA Ratio (%)	7.19	6.94	6.15	5.44	5.28
Net NPA Ratio (%)	2.79	2.65	2.23	1.86	1.59
Provision Coverage Ratio (%)	81.23	81.73	83.62	86.32	88.19
Provision Coverage Ratio (Excl. AUCA) (%)	62.92	63.52	65.21	67.07	71.04
Corporate PCR (Excl. AUCA) (%)	73.84	74.58	78.37	83.17	88.30
Slippage Ratio (%)	2.18	2.42	2.16	0.60	0.53
Credit cost (%)	1.98	1.80	1.87	1.56	1.24

#### **Asset Quality (2/4)**



Movement of NPAs:	Q2FY20	Q3FY20	Q4FY20	FY20	Q1FY21	Q2FY21
Opening Level of Gross NPAs	1,68,494	1,61,636	1,59,661	1,72,750	1,49,092	1,29,661
Total Reductions	15,984	22,073	18,860	78,168	23,341	6,883
of which : Recovery + Upgradation	3,931	13,553	2,528	25,781	3,608	4,038
Gross Addition	9,126	20,098	8,291	54,510	3,910	3,085
of which : Increase in O/s	321	3,573	186	4,863	273	329
: Fresh Slippages	8,805	16,525	8,105	49,647	3,637	2,756
Net Increase	-6,858	-1,975	-10,569	-23,658	-19,431	-3,798
Closing Level of Gross NPAs	1,61,636	1,59,661	1,49,092	1,49,092	1,29,661	1,25,863

Segmental NDAc	Sep 19		June 20		Sep 20	
Segmental NPAs:	NPA	Ratio %	NPA	Ratio %	NPA	Ratio %
Retail:	59,924	5.16	64,926	5.27	60,430	4.75
Agri.	27,577	13.62	31,402	15.37	31,234	14.81
Per Segment	7,142	1.04	8,261	1.10	6,485	0.83
SME	25,205	9.19	25,262	9.06	22,711	8.19
Corporate	99,838	13.03	62,581	7.73	62,168	7.89
International	1,874	0.59	2,154	0.63	3,265	1.01
Total	1,61,636	7.19	1,29,661	5.44	1,25,863	5.28

#### Movement of NPAs and AUCA (3/4)



	Mar-18	Mar-19	Mar-20	Sep 20
Opening Level of GNPA + AUCA	2,52,066	3,27,653	3,09,755	3,16,684
Gross Addition (Increase in O/s + Slippages)	1,00,287	39,740	54,510	6,995
Total GNPA + AUCA + Additions	3,52,353	3,67,393	3,64,265	3,23,679
Total Recovery / Upgradation	19,863	39,857	35,032	9,489
Less: Write-off (Removal from AUCA/Haircut)	4,837	17,782	12,549	5,617
Closing Level of Gross NPAs + AUCA	3,27,653	3,09,755	3,16,684	3,08,573

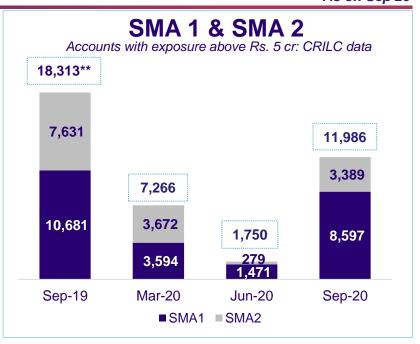
#### **Asset Quality (4/4)**



Fresh Slippages	Q1FY20	Q2FY20	Q1FY21	Q2FY21*	H1FY20	H1FY21*
Corporate	5,354	3,239	213	1,019	8,593	1,232
SME	3,964	1,522	990	5,078	5,486	6,068
AGRI	4,239	3,078	468	9,045	7,317	9,513
PER	2,438	648	1,331	828	3,086	2,159
IBG	217	318	636	1,174	535	1,810
Total	16,212	8,805	3,637	17,144	25,017	20,781

Sl.no	Particulars Particulars	In Rs cr		
1.	At end of Q1FY21, SMA accounts as on 29.02.2020, which had paid less than two EMIs	13,349		
	- On which provisions made in Q1FY21	3,008		
2.	Proforma slippages in Q2FY21*	14,388		
	- On which provisions made in Q2FY21 3,194			
	Note: There is some overlap in SMA accounts as on 29.0 which paid less than two EMIs as on June 2020 & proform slippage in Q2FY21			

<sup>\*</sup> Includes proforma slippages of Rs.14,388 Crs but for Hon'ble. SC interim order dated 3rd Sept 2020, of which Rs.5,965 Crs upgraded in Oct 20.



In June 2020, RBI moratorium was in force.

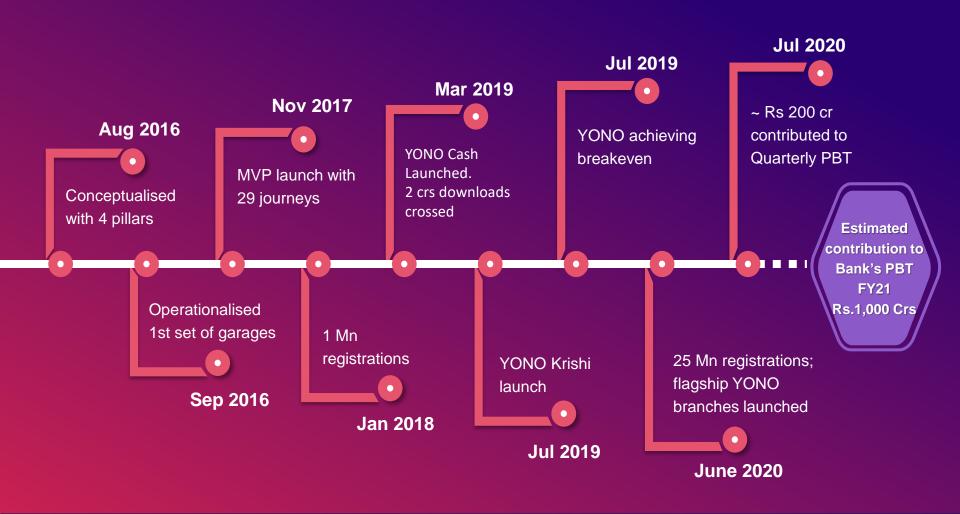
\*\*In Sept-2019, ICA was signed for Rs 9,001 of SMA 1&2 accounts .

In Percentages	Without Proforma Slippages	With Proforma Slippages
Gross NPA	5.28	5.88
Net NPA	1.59	2.08

### Digital Journey

### YONO: Landmark journey over last 4 years with significant potential to drive further impact





Developing YONO as Platform-As-A-Service

#### Accelerating digital agenda (1/3)

YONO – Our flagship digital offering

Digital Channel – Achieving disproportionate growth in share of business (Performance in Q2 FY21)



YONO Adoption ~28.5 Mn cumulative registrations

(~4.6 Mn during Q2FY21)

~64,000 daily registrations



**YONO Cash** 

~4.9 Mn YONO Cash transactions in Q2FY21

~52,861 daily YONO Cash transactions



**PAPL** 

INR 5118 Cr+ disbursements during Q2FY21

~3,550 avg. daily disbursements in Oct-20



Online Marketplace

INR 121.6 Cr GMV in Q2FY21



FSS – Credit cards

~1.21 lac cards sourced in Q2FY21

~1285 cards sourced daily

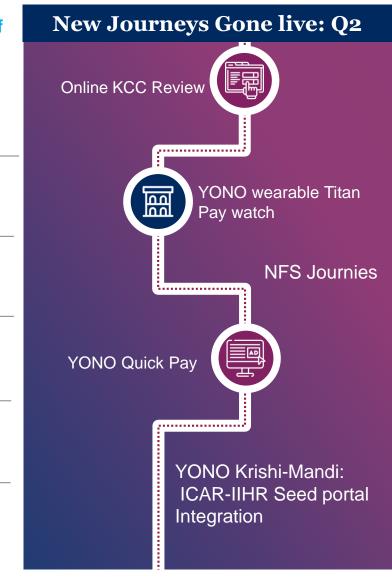


Krishi

9,08,864 + AGL sanctions in Q2FY21

INR ~14,671 Cr sanction amount

9650+ avg. daily disbursements in Oct-20



#### Accelerating digital agenda (2/3)

YONO – Our flagship digital offering





(Q2 FY21)

Account opening

~1.4 Mn +

SB accounts opened through YONO ~21,000+ daily accounts opened



**Cross Sell** 

~INR 696 Cr

MF Gross Sales

~ 1.00 Mn+

No of Personal Accident Insurance (PAI) policies

~10,800+ policies issued daily



**Digital Lending (PAPL)** 

~3.23 lac

No of New PAPL A/c opened

~INR 5118.01 Cr

PAPL disbursement



**YONO Krishi** 

~1.38 lac

No of KCC Reviewed\* through YONO

~INR 2361.68 Cr

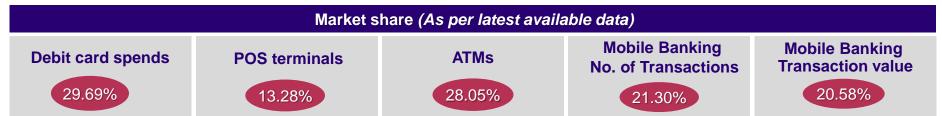
Amount of KCC Reviewed\*

Online KCC Review through YONO launched in Aug'20

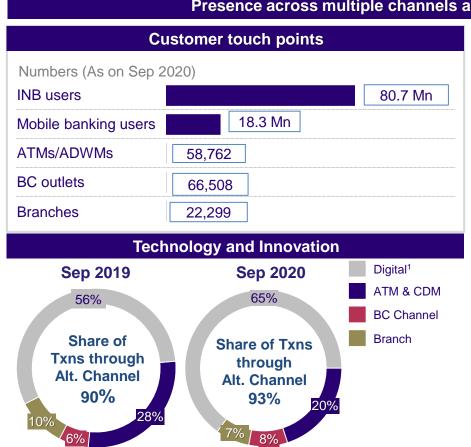
#### Accelerating digital agenda (3/3)

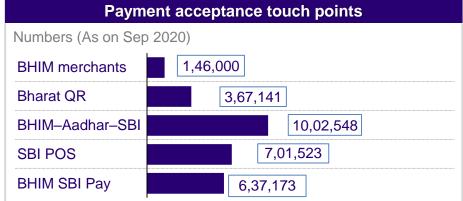
Digital Leadership across channels





#### Presence across multiple channels and payment acceptance touch points









- Number of UPI users: 120 Mn
- Market share in remittances: 24.83% (Sep 2020) (#1 Remittance bank)



- No. of cards: 288.9 Mn
- Debit Card spends: > 521.0 Mn transactions and Rs. 779.42 bn spend during H1FY21.



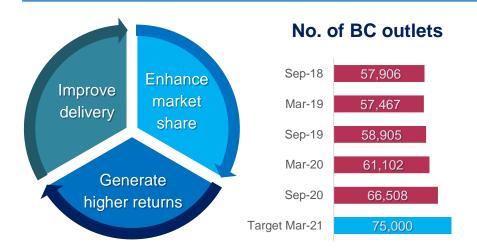
 Average no. of ATM transactions: ~10.1 Mn per day

# Financial Inclusion & Sustainability

#### **Financial Inclusion & Micro Markets**

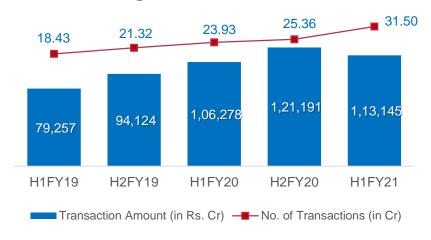


New Financial Inclusion & Micro Market (FI&MM) vertical created to focus on FI customers



As on Sep 2020

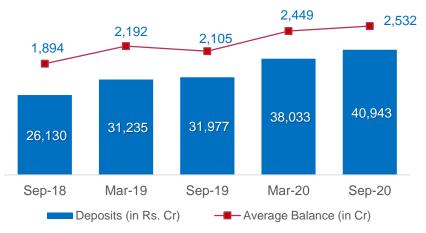
#### **Rising transactions in BC Channel**



#### Way forward

- Defined strategy to take FI network contribution to 20% of business from the current 12%
- A differentiated cost structure, HR alignment and IT strategies to reduce Cost to Income to 38% in the FI network
- More effective use of BC Channel which has already emerged as an important channel partner
- Empower BC Channel for collection activities
- Prioritize fintech engagements, with focus on fintechs across agriculture value chain
- Focus on alliances, co-lending and co-origination

#### **Rising Deposits in FI Channel**



#### **Environmental, Social, Governance (ESG) Practices**



- Bank to implement Environment and Social Management System (ESMS) under USD 177.33 mn line of credit from KfW for the Solar Partnership I (SP I) – Promotion of Solar/PV
- CSR spend of Rs. 18.74 cr for low cost ventilators, PPE kits, food distribution, etc.
- 1.11 lac trees planted since Apr-20



- Availed Green Term Loan of USD 50 million (in addition to an existing portfolio of USD 800 million Green Bonds) for Green Financing & clean energy usage
- Customer contributions by way of donation of spend Reward points to SBI Green Fund utilized for planting 10,000 saplings and distributing 8,000 PPE kits for fighting COVID-19



#### **Products**

- Opened 12.7 cr PMJDY
   accounts; deposits in excess of
   Rs. 33,000 cr; 11.86 cr RuPay
   Debit cards issued as on 30<sup>th</sup> Sep-20
   (of which Approx. 4 crs cards blocked
   as per RBI Instructions)
- E-Rickshaw and Green Car
   Loan product launched



#### People

- Employee contributions of Rs.
   108 cr for PM COVID Care fund
- Improve workforce diversity;
   women represent 25% of total
   workforce; 3,500 branches
   headed by women officers



#### Digitization

- 93% transactions of the Bank happening through Alternate channels
- Trainings migrated to secure online platforms with digital contents, pre-reads, video classes, live webinars & others

# Subsidiaries, Group Financials & Balance Sheet

#### **SBI** and its Subsidiaries

#### Leveraging Synergies



As on Sep 20



- Strong growth in Renewal Premium of 29%.
- Private market leadership Rank 1 in Total New Business Premium (NBP) with 24.5% share
- Group New Business Premium increased by 61%
- Strong financial performance: VoNB Margin: 18.8%



Market Share Total Spends: 20.5%Market Share Card base: 18.7%

• Growth in cards : 16% YoY

• Growth in Receivables: 4% YoY



- Rank 1<sup>st</sup> in QAAUM with Market Share of 15.27%.
- AUM at Rs.421K Crores.
- QAAUM grew by 31.40% YoY vis-à-vis Industry growth rate of 7.47% during Sep 20.



- SBI General has written GWP of Rs.3,658 Crs with YoY growth of 17% as compared to the Industry growth at 1.6%
- Ranked at 8th position amongst private insurers and 13th in the Industry overall
- Market share amongst private players improved to 6.77% as on 30<sup>th</sup> Sep-20 from 5.93% in 30<sup>th</sup> Sep-19. Overall market share stands at 3.73% as on 30<sup>th</sup> Sept-20
- 1st in Personal Accident with 24.04% share and 5th in Fire with 9.6% share amongst Private insurers.

SBI Life INSURANCE With us, You're sure With us, You're sure With the Wate They Company	H1FY20	H1FY21
PAT (in Rs. cr)	502	691
ROE (in %)	12.83	15.01

SBI Card	H1FY20*	H1FY21*
PAT (in Rs. cr)	727	599
ROE (in %)	36.1	21.1

SBI MUTUAL FUND A PARTNER FOR LIFE	H1FY20*	H1FY21*
PAT (in Rs. cr)	283	385
ROE (in %)	34.09	34.43

SBIGENETAL INSURANCE	H1FY20	H1FY21			
PAT (in Rs. cr)	196	300			
ROE (in %)	21.6	27.01			

\*(As per IND AS)

#### **SBI Group Financials – H1FY21**



Rs. In crores

	Year E	Growth (%)	
	H1FY20	H1FY21	YoY
Interest Earned	1,32,951	1,39,983	5.29
Non-Interest Income*	42,866	44,742	4.38
Total Income	1,75,817	1,84,725	5.07
Interest Expended	80,244	79,325	-1.15
Operating Expenses (i+ii)	60,971	67,098	10.05
(i) Employee Cost	23,661	26,062	10.15
(ii) Other Operating Expenses	37,311	41,035	9.98
Total Expenditure	1,41,216	1,46,422	3.69
Operating Profit	34,601	38,303	10.70
Provisions (other than Tax)	23,089	23,784	3.01
Add: Share in profit of associates	112	171	52.64
Less: Minority Interest	608	756	24.38
Tax Expenses	4,691	3,912	-16.60
Net Profit	6,326	10,022	58.43

	Year Ended				
	H1FY20	H1FY21			
ROA (%)	0.32	0.46			
ROE (%)	6.69	9.45			
Earning Per Share (Rs.)	14.18	22.40			
Expenses Ratio (%)	53.43	52.68			
NIM (%)	2.97	3.11			
Gross NPA Ratio (%)	7.09	5.23			
Net NPA Ratio (%)	2.74	1.57			

<sup>\*</sup>Includes one-off Items

#### **Balance Sheet**



	Liabilities				Rs. in Crores		
	SBI SOLO			SBI GROUP			
	Sep 19	Sep 20	YOY Growth (%)	Sep 19	Sep 20	YOY Growth (%)	
Capital	892	892	0.00	892	892	0.00	
Reserves and Surplus	2,25,183	2,44,829	8.72	2,39,788	2,65,402	10.68	
Minority Interest				6,970	8,913	27.87	
Deposits	30,33,396	34,70,462	14.41	30,64,307	35,05,182	14.39	
Borrowings	2,74,186	2,98,230	8.77	2,90,460	3,16,276	8.89	
Other Liabilities & Provisions	1,44,344	1,43,443	-0.62	3,06,410	3,38,525	10.48	
Total Liabilities	36,78,001	41,57,856	13.05	39,08,828	44,35,190	13.47	

#### **Assets**

	SBI SOLO			SBI GROUP		
	Sep 19	Sep 20	YOY Growth (%)	Sep 19	Sep 20	YOY Growth (%)
Cash & balances with RBI	1,43,904	1,80,873	25.69	1,44,159	1,81,142	25.65
Bal with Banks & Money at Call and Short Notice	81,219	31,979	-60.63	83,920	36,604	-56.38
Investments	9,85,022	13,29,166	34.94	11,54,726	15,39,283	33.30
Net Advances	21,46,160	22,93,901	6.88	21,91,839	23,42,432	6.87
Fixed Assets	38,603	38,156	-1.16	40,256	39,773	-1.20
Other Assets	2,83,092	2,83,781	0.24	2,93,928	2,95,956	0.69
Total Assets	36,78,001	41,57,856	13.05	39,08,828	44,35,190	13.47

### **Thank You**