



भारतीय स्टेट बैंक
भारतीय स्टेट बैंक
State Bank of India

शेयर आणि बॉन्ड विभाग, कॉर्पोरेट केन्द्र, 14वा माळा, स्टेट बँक भवन,
मादाम कामा रोड, मुंबई - 400 021.

शेयर आणि बॉन्ड विभाग, कारपोरेट केन्द्र, 14वाँ तल, स्टेट बैंक भवन,
मादाम कामा रोड, मुंबई - 400 021.

Shares & Bonds Department, Corporate Center, 14th Floor, State Bank Bhavan,
Madame Cama Road, Mumbai-400 021.

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Date :

Ref. No. 19.05.2017

CC/S&B/SA/422

BSE Limited
The Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai- 400001

The National Stock Exchange of India
The Listing Department,
Exchange Plaza,
Bandra Kurla Complex,
Mumbai- 400051

LISTING REGULATIONS 2015: OUTCOME OF BOARD MEETING
FINANCIAL RESULTS FOR THE YEAR ENDED 31.03.2017
& DECLARATION OF DIVIDEND

In terms of Regulation 33(3)(d) and Regulation 30(6) of the SEBI Listing Regulations 2015, we forward herewith a copy of the Audited Standalone and Consolidated Working Results of the Bank for the quarter and financial year ended 31st March 2017, taken on record by the Central Board of the Bank at its Meeting held on date.

2. Further, pursuant to Regulation 43 and Regulation 30(6), we advise that the Central Board of the Bank, at its Meeting held on date, has declared a Dividend of Rs. 2.60 per share (260 %) for the financial year ended 31st March 2017. The date of payment of the Dividend is fixed on 16th June 2017 and the dividend warrants will be dispatched before the date of payment, which will be payable, in India, at par at all branches of State Bank of India, irrespective of the amount.

3. Pursuant to the Regulations, as amended from time to time, we hereby confirm that the Auditor's Report on Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2017 is with unmodified opinion.

Thanking you,

Yours faithfully,

(Sanjay M Abhyankar)

VP Compliance- Company Secretary

Encl: as above.

STATE BANK OF INDIA
CORPORATE CENTRE, MUMBAI - 400 021
AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2017

(Rs. in crore)

S. No.	Particulars	Standalone				Consolidated		
		Quarter ended		Year ended		Year ended		
		31.03.2017 (Audited)	31.12.2016 (Unaudited)	31.03.2016 (Audited)	31.03.2017 (Audited)	31.03.2016 (Audited)	31.03.2016 (Audited)	
1	Interest earned (a)+(b)+(c)+(d)	47,392.57	43,925.59	42,941.77	1,75,518.24	1,63,998.30	2,30,447.49	2,20,632.74
	(a) Interest/ discount on advances/ bills	29,861.16	29,831.27	29,242.48	119,510.00	1,15,666.01	1,56,790.48	1,57,001.75
	(b) Income on investments	13,507.03	12,608.66	11,007.91	48,205.31	42,303.98	64,201.37	56,462.19
	(c) Interest on balances with Reserve Bank of India and other inter-bank funds	887.70	488.69	105.02	1,753.47	621.07	259.57	1,112.24
	(d) Others	3,136.68	996.97	2,586.36	6,049.46	5,407.24	6,864.07	6,056.56
2	Other income	10,327.50	9,661.92	10,585.20	35,460.93	27,845.37	68,192.96	52,828.39
3	TOTAL INCOME (1)+(2)	57,720.07	53,587.51	53,526.97	2,10,979.17	1,91,843.67	2,98,640.45	2,73,461.13
4	Interest expended	29,321.85	29,174.05	27,540.59	113,658.50	1,06,803.49	1,49,114.67	1,43,047.36
5	Operating expenses (e)+(f)	12,371.76	11,870.20	11,794.48	46,472.77	41,782.37	87,290.07	74,307.17
	(e) Employee cost	6,242.25	7,137.29	6,942.78	26,489.28	25,113.83	35,691.21	32,525.60
	(f) Other operating expenses	6,129.51	4,732.91	4,851.70	19,983.49	16,668.54	51,598.86	41,781.57
6	TOTAL EXPENDITURE (excluding provisions and contingencies) (4)+(5)	41,693.61	41,044.25	39,335.07	1,60,131.27	1,48,585.86	2,36,404.74	2,17,354.53
7	OPERATING PROFIT (before provisions and contingencies) (3)-(6)	16,026.46	12,543.26	14,191.90	50,847.90	43,257.81	62,235.71	56,106.60
8	Provisions (other than tax) and contingencies (net of write backs)	11,740.09	8,942.83	13,174.05	35,992.74	29,483.75	61,290.88	37,929.82
	Provisions for non-performing assets included above	10,992.92	7,244.55	12,139.17	32,246.69	26,984.14	55,916.75	35,111.19
9	Exceptional items	-	-	-	-	-	-	-
10	PROFIT/ (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX (7)-(8)-(9)	4,286.37	3,600.43	1,017.85	14,855.16	13,774.06	944.83	18,176.78
11	Tax expense	1,471.55	990.43	-245.96	4,371.06	3,823.41	1,335.50	5,433.50
12	NET PROFIT/ (LOSS) FROM ORDINARY ACTIVITIES AFTER TAX (10)-(11)	2,814.82	2,610.00	1,263.81	10,484.10	9,950.65	-390.67	12,743.28
13	Extraordinary items (net of tax expense)	-	-	-	-	-	293.28	275.82
14	NET PROFIT/ (LOSS) FOR THE PERIOD (12)-(13)	2,814.82	2,610.00	1,263.81	10,484.10	9,950.65	-390.67	12,743.28
15	Share in profit of associates	-	-	-	-	-	-	-
16	Share of minority	-	-	-	-	-	-338.62	794.51
17	NET PROFIT AFTER MINORITY INTEREST (14)+(15)-(16)	2,814.82	2,610.00	1,263.81	10,484.10	9,950.65	241.23	12,224.59
18	Paid-up equity share capital (face value of ₹1/- each)	797.35	776.28	776.28	797.35	776.28	797.35	776.28
19	Reserves excluding revaluation reserves	-	-	-	1,55,903.06	1,43,498.16	1,80,800.92	1,78,442.05
20	Analytical ratios							
	(i) Percentage of shares held by Government of India	61.23%	60.18%	60.18%	61.23%	60.18%	61.23%	60.18%
	(ii) Capital adequacy ratio (Base I)	13.11%	13.73%	13.12%	13.11%	13.12%	-	-
	(a) CET 1 ratio	9.82%	9.97%	9.81%	9.82%	9.81%	-	-
	(b) Additional tier 1 ratio	0.53%	0.68%	0.11%	0.53%	0.11%	-	-
	(iii) Earnings per share (EPS) (₹)							
	(a) Basic and diluted EPS before Extraordinary items (net of tax expense) (Quarter numbers not annualised)	3.55	3.36	1.64	13.43	12.98	0.31	15.95
	(b) Basic and diluted EPS after Extraordinary items (Quarter numbers not annualised)	3.55	3.36	1.64	13.43	12.98	0.31	15.95
	(iv) NPA ratios							
	(a) Amount of gross non-performing assets	1,12,342.99	1,08,172.32	98,172.80	1,12,342.99	98,172.80	-	-
	(b) Amount of net non-performing assets	58,277.38	61,430.45	55,807.02	58,277.38	55,807.02	-	-
	(c) % of gross NPAs	6.90%	7.23%	6.50%	6.90%	6.50%	-	-
	(d) % of net NPAs	3.71%	4.24%	3.81%	3.71%	3.81%	-	-
	(v) Return on assets (Net Assets basis - Annualised)	0.43%	0.42%	0.23%	0.41%	0.46%	-	-

SUMMARISED STATEMENT OF ASSETS & LIABILITIES

(Rs. in crore)

S. No.	Particulars	Standalone			Consolidated	
		31.03.2017 (Audited)	31.12.2016 (Unaudited)	31.03.2016 (Audited)	31.03.2017 (Audited)	31.03.2016 (Audited)
1	Capital and Liabilities					
	a Capital	797.35	776.28	776.28	797.35	776.28
	b Reserves & surplus	1,87,488.71	1,82,299.60	1,43,498.16	2,16,394.80	1,79,816.09
	c Minority interest	-	-	-	6,480.65	6,267.40
	d Deposits	20,44,751.39	20,40,777.90	17,30,722.44	25,99,810.66	22,53,857.56
	e Borrowings	3,17,693.66	2,61,303.69	3,23,344.58	3,36,365.66	3,61,399.39
	f Other liabilities and provisions	1,55,235.19	1,00,545.57	1,59,276.08	2,85,272.44	2,71,366.43
	Total Capital and Liabilities	27,05,966.30	25,85,703.04	23,57,617.54	34,45,121.56	30,73,483.15
2	Assets					
	a Cash and balances with Reserve Bank of India	1,27,997.62	1,06,077.84	1,29,629.33	1,61,018.61	1,60,424.57
	b Balances with banks and money at call and short notice	43,974.03	37,830.01	37,838.33	112,178.54	44,134.90
	c Investments	7,65,989.63	8,33,941.54	5,75,651.78	10,27,280.87	8,07,374.59
	d Advances	15,71,078.38	14,47,823.94	14,63,700.42	18,96,886.82	18,70,260.89
	e Fixed assets	42,918.92	42,746.94	10,389.28	50,940.74	15,255.68
	f Other assets	1,54,007.72	1,17,282.77	1,40,408.40	1,96,815.98	1,76,032.52
	Total Assets	27,05,966.30	25,85,703.04	23,57,617.54	34,45,121.56	30,73,483.15

STATE BANK OF INDIA
CORPORATE CENTRE, MUMBAI - 400 021
AUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS & LIABILITIES

Part A: Primary Segments: Business

S. No.	Particulars	Quarter ended		Year ended		Consolidated	
		31.12.2016		31.03.2016		31.03.2016	
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Segment Revenue (Income)						
a	Treasury operations	16,728.91	17,893.14	12,904.29	49,572.24	78,525.43	61,912.83
b	Corporate/ Wholesale Banking operations	15,712.74	14,968.17	17,485.32	63,983.80	83,694.12	89,134.11
c	Retail Banking operations	22,977.47	20,726.20	21,441.26	76,531.65	106,413.35	99,550.50
d	Insurance business					28,047.72	21,460.12
e	Other Banking operations					6,174.73	4,887.88
f	Add/ (Less): Unallocated	2,300.95	.00	1,696.10	1,755.98	2,419.27	1,800.62
	Total	57,720.07	53,587.51	53,526.97	210,979.17	278,274.62	278,278.06
	Less: Inter Segment Revenue					6,634.17	5,266.93
	Net Segment Revenue (Income)	57,720.07	53,587.51	53,526.97	210,979.17	271,640.45	273,011.13
2	Segment Results (Profit/ (Loss) before tax)						
a	Treasury operations	1,627.32	4,776.55	2,373.78	8,246.77	14,593.33	9,071.69
b	Corporate/ Wholesale Banking operations	-6,046.14	-4,606.18	-8,555.81	-18,192.09	-29,133.47	-11,271.53
c	Retail Banking operations	7,453.53	4,508.66	6,716.81	20,844.26	15,156.76	20,936.37
d	Insurance business					1,308.71	932.55
e	Other Banking operations					1,717.58	1,375.21
f	Add/ (Less): Unallocated	1,251.66	-1,078.40	483.07	-1,860.58	-1,973.11	-2,867.51
	Profit/ (Loss) from Ordinary Activities before tax	4,286.37	3,600.43	1,017.85	14,855.16	9,444.70	18,176.78
	Less: Tax Expense	1,471.55	990.43	-245.96	4,371.06	3,823.41	1,335.50
	Less: Extraordinary Profit/ Loss						5,433.50
	Net Profit/ Loss before Share in Profit of associate and minority interest	2,814.82	2,610.00	1,263.81	10,484.10	9,950.65	-390.67
	Add: Share in profit of associates					293.28	275.82
	Less: Share of minority					-338.62	794.51
	Net Profit ¹	2,814.82	2,610.00	1,263.81	10,484.10	9,950.65	241.23
3	Segment assets						
a	Treasury operations	8,04,449.56	8,64,692.53	6,05,816.23	8,04,449.56	6,05,816.23	10,07,725.87
b	Corporate/ Wholesale Banking operations	9,31,293.68	8,12,810.98	8,74,603.31	9,31,293.68	8,74,603.31	11,51,526.43
c	Retail Banking operations	9,54,597.65	8,98,330.38	8,57,750.16	9,54,597.65	8,57,750.16	10,54,672.01
d	Insurance business						106,316.18
e	Other Banking operations						18,110.16
f	Unallocated	15,625.41	9,869.15	19,447.84	15,625.41	19,447.84	20,220.84
	Total	27,05,966.30	25,85,703.04	23,57,617.54	27,05,966.30	23,57,617.54	34,45,121.56
4	Segment liabilities						
a	Treasury operations	6,08,747.16	5,79,226.43	3,91,330.86	6,08,747.16	3,91,330.86	7,09,453.02
b	Corporate/ Wholesale Banking Operations	8,44,527.74	7,44,412.97	7,96,500.56	8,44,527.74	7,96,500.56	11,03,341.85
c	Retail Banking operations	9,97,848.30	10,16,076.81	9,65,368.29	9,97,848.30	9,65,368.29	12,16,492.46
d	Insurance business						99,646.13
e	Other Banking operations						12,525.34
f	Unallocated	66,557.04	62,890.95	60,143.39	66,557.04	60,143.39	88,470.61
	Total	1,88,284.04	1,83,075.85	1,44,274.44	1,88,284.04	1,44,274.44	2,17,921.15
	Capital and Reserves & surplus	27,05,966.30	25,85,703.04	23,57,617.54	27,05,966.30	23,57,617.54	34,45,121.56
	Total	27,05,966.30	25,85,703.04	23,57,617.54	27,05,966.30	23,57,617.54	30,73,483.15

¹ Segment Net Results are arrived after taking the effects of Transfer Pricing.

Part B : Secondary Segments: Geographic

S. No.	Particulars	Domestic operations		Foreign operations		Total	
		Year ended		Year ended		Year ended	
		31.03.2017	31.03.2016	31.03.2017	31.03.2016	31.03.2017	31.03.2016
		(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Standalone						
a	Revenue ²	2,00,296.31	1,80,078.66	10,682.86	11,765.01	2,10,979.17	1,91,843.67
b	Net Profit ²	7,637.52	5,936.62	2,846.58	4,014.03	10,484.10	9,950.65
c	Assets ³	23,45,534.83	20,29,344.26	3,60,431.47	3,28,273.26	27,05,966.30	23,57,617.54
d	Liabilities ³	21,57,248.77	18,85,049.85	3,60,431.47	3,28,273.26	25,17,680.24	22,13,343.11
2	Consolidated						
a	Revenue ²	2,86,663.05	2,60,555.43	11,977.40	12,905.70	2,98,640.45	2,73,461.13
b	Net Profit ²	-2,871.79	8,172.53	3,113.02	4,052.06	241.23	12,224.59
c	Assets ³	30,59,467.86	27,21,888.90	3,85,653.70	3,51,594.25	34,45,121.56	30,73,483.15
d	Liabilities ³	28,46,348.69	25,45,266.12	3,81,540.72	3,47,624.66	32,27,892.41	28,92,890.78

² For the year ended March 31, 2017

³ as of March 31, 2017



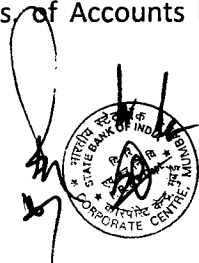
Notes :

- 1 The above financial results have been reviewed by the Audit Committee of the Board at their meeting held on May 18, 2017 and approved by the Board of Directors at their meeting held on May 19, 2017.
- 2 There are no material changes in the Significant Accounting Policies adopted during the quarter / year ended March 31, 2017 as compared to those followed in the previous Financial Year 2015-16 except in respect of revaluation of premises.
- 3 The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- 4 (a) The financial results for the quarter / year ended March 31, 2017 have been arrived at after considering necessary provisions for Non- Performing Advances, Non Performing Investments, Standard Advances, Restructured Advances, Provision for exposure to entities with Un-hedged Foreign Currency Exposure, Depreciation on Investments, Income Tax (including Deferred Taxes) and other usual and necessary provisions. Provisions for employee benefits pertaining to pension, gratuity and leave encashment have been made on the basis of actuarial valuations.

(b) In accordance with RBI instruction, the Bank has made a provision of 7.5% amounting to INR 856 crores against outstanding in the long term food credit advance to a State Government.

(c) In terms of circular No. DBR No. BP.BC. 49/ 21.4.048/2016-17 dated 28.12.2016 the classification of standard assets affected due to demonetisation from standard to sub-standard has been deferred up to 31.03.2017. The effect of this on quantum of Non-performing advances is INR 1608.94 crore.

(d) The disclosures relating to the divergence for the financial year 2015-16, in respect of provisions made by the bank against non-performing assets (excluding provisions made against standard assets) mandated in circular No. DBR.BP.BC.No.63/21.04.018/2016-17 dated 18th April 2017 issued by RBI, is not applicable to the Bank.
- 5 The Bank has fully amortised the loss in respect of sale of assets to ARCs in the current and previous years. The aggregate unamortized amount of such losses as on March 31, 2017 is NIL (Previous year INR 1131.01 crore).
- 6 In terms of the RBI Circulars dated June 8, 2015 on "Strategic Debt Restructuring Scheme" (SDR) and "Scheme for Sustainable Structuring of Stressed Assets" (S4A) respectively as amended, the bank has invoked SDR/S4A in respect of 10 Nos. of Accounts having the outstanding balance of INR 5169.51 crore as on March 31, 2017.



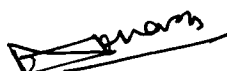
- 7 RBI Circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations read together with RBI Circular No. DBR.No.BP. BC.80/21.06.201/2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards - Amendments' requires Banks to make applicable Pillar 3 Disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. These disclosures are available on the Bank's Website <http://www.sbi.co.in>. These disclosures have not been subjected to audit or limited review by statutory auditors of Bank.
- 8 In terms of RBI Circular FMRD.DIRD.10/14.03.002/2015-16 dated May 19,2016, the Bank has, with effect from October 3, 2016, considered its repo/ reverse repo transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) of RBI as Borrowings/ Lending respectively as against the earlier practice of including the same under investments.
- 9 **Revaluation of Fixed Assets:-**
- a) The bank has revalued immovable properties based on the reports obtained from the external independent valuers. The revaluation surplus was credited to revaluation reserve as on June, 30, 2016 and the closing balance of revaluation reserve as at March, 31, 2017, (net of amount transferred to General Reserve), is INR 31585.65 Crore.
- b) In terms of RBI circular No.DBR No.BP.BC.83/21.06.201/2015-16 dated 01.03.2016 on Basel III capital regulations, the revaluation reserves have been reckoned as CET I Capital at a discount of 55%.
- 10 Provision Coverage Ratio as on March 31, 2017 was 65.95 %.
- 11 The Central Board has declared a dividend of INR 2.60 per share @ 260% for the year ended March 31, 2017 including on shares issued to the shareholders of erstwhile Associate Banks after merger with SBI on April 01, 2017.
- 12 Other Income for the year and quarter ended December 31, 2016 includes gain of INR 1,755 Crore on sale of 3.9% stake held by the bank in the subsidiary SBI Life Insurance Company Limited.
- 13 **Acquisition of Banking subsidiaries & BMBL**
- The Government of India (GOI) has accorded sanction under sub-section (2) of section 35 of the State Bank of India Act, 1955, for acquisition of the five domestic Banking subsidiaries of State Bank of India (SBI) namely, State Bank of Bikaner & Jaipur (SBBJ), State Bank of Mysore (SBM), State Bank of Travancore (SBT), State Bank of Patiala (SBP), State Bank of Hyderabad (SBH) and for acquisition of Bharatiya Mahila Bank Limited (BMBL) (hereinafter collectively referred to as Transferor Banks) vide their orders dated February 22, 2017 and March 20, 2017. As per the GOI orders, these Schemes for acquisition shall come into effect on April 1, 2017 (hereafter referred to as the effective date).

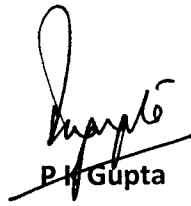


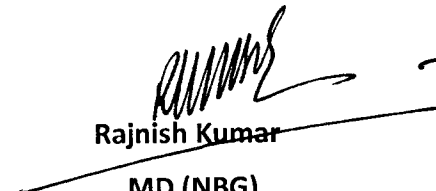
The undertakings of the Transferor Banks which shall be deemed to include all business, assets, liabilities, reserves and surplus, present or contingent and all other rights and interest arising out of such property as were immediately before the effective date in the ownership, possession or power of the Transferor Banks shall be transferred to and will vest in SBI on and from the effective date.


Necessary accounting adjustments in this regard will be made on the effective date.

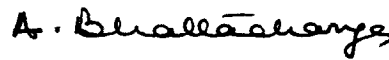
- 14 The Bank has received 92 Investors' complaints during the quarter ended March 31, 2017 which have been disposed off. There were no pending investors' complaints either at the beginning or end of the quarter.
- 15 Previous period/years, figures have been regrouped / reclassified, wherever necessary, to conform to current period classification.


Dinesh Kumar Khara
MD (A&S)


P. H. Gupta
MD (C&R)


Rajnish Kumar
MD (NBG)


B. Sriram
MD (CBG)


Arundhati Bhattacharya
Chairman

Place : Kolkata

Date : 19th May 2017



INDEPENDENT AUDITORS' REPORT

To
The President of India,

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of State Bank of India ("the Bank") as at March 31 2017, which comprises the Balance Sheet as at March 31, 2017, the Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. Incorporated in these standalone financial statements are the returns of -

- i) The Central Offices, 14 Local Head Offices, Global Market Group, International Business Group, Corporate Accounts Group (Central), Mid-Corporate Group (Central), Stressed Assets Management Group (Central) and 42 branches audited by us;
- ii) 9,873 Indian Branches audited by other auditors;
- iii) 53 Foreign Branches audited by the local auditors.

The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 8,200 Indian Branches (including other accounting units) which have not been subjected to audit. These unaudited branches account for 3.86 % of advances, 15.50% of deposits, and 4.90 % of interest income and 14.51 % of interest expenses.

Management's Responsibility for the Standalone Financial Statements

2. The Bank's management is responsible for the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the requirements of the Reserve Bank of India, the provisions of the Banking Regulation Act, 1949, the State Bank of India Act, 1955 and recognised accounting policies and practices, including the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). This responsibility of the management includes the design, implementation and maintenance of internal controls and risk management systems relevant to the preparation of the standalone financial statements that are free from material misstatement, whether due to fraud or error. In making those risk assessments, the management has implemented such internal controls that are relevant to the preparation of the standalone financial statements and designed procedures that are appropriate in the circumstances so that the internal control with regard to all the activities of the Bank is effective.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the standalone financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the standalone financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


6. In our opinion, as shown by books of the Bank, and to the best of our information and according to the explanations given to us:
 - (i) the Balance Sheet, read with the significant accounting policies and the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at March 31, 2017 in conformity with accounting principles generally accepted in India;
 - (ii) the Profit and Loss Account, read with the significant accounting policies and the notes thereon shows a true balance of profit, in conformity with accounting principles generally accepted in India, for the year covered by the account; and
 - (iii) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act 1949 and these give information as required to be given by virtue of the provisions of the State Bank of India Act, 1955 and regulations there under.
8. Subject to the limitations of the audit indicated in paragraphs 1 to 5 above and as required by the State Bank of India Act, 1955, and subject also to the limitations of disclosure required there in, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory.
 - b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
 - c) The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.

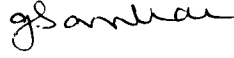
9. In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the applicable accounting standards.

कृते वर्मा एंड वर्मा
सनदी लेखाकार
For Varma & Varma
Chartered Accountants



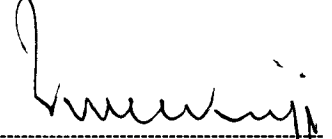
(चेरियन के बेबी/ Cherian K Baby)
भागीदार स.सं. /Partner M.No. 016043
फर्म पंजी. सं./Firm Regn.No.004532 S

कृते वी. शंकर अय्यर एंड कं.
सनदी लेखाकार
For V. Sankar Aiyar & Co.
Chartered Accountants



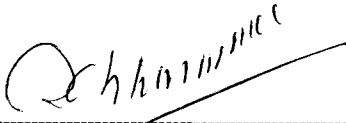
(जी शंकर/ G Sankar)
भागीदार स.सं. /Partner M.No. 046050
फर्म पंजी. सं./Firm Regn.No.109208 W

कृते एस. एन. मुखर्जी एंड कं.
सनदी लेखाकार
For S. N. Mukherji & Co.
Chartered Accountants



(सुदीप के मुखर्जी/ Sudip K Mukherji)
भागीदार स.सं. /Partner M.No. .013321
फर्म पंजी. सं./Firm Regn.No.301079 E

कृते बी छावछरिया एंड कं.
सनदी लेखाकार
For B. Chhawchharia & Co.
Chartered Accountants



(एस. के. छावछरिया/S. K. Chhawchharia)
भागीदार स.सं. /Partner M.No. 008482
फर्म पंजी. सं./Firm Regn.305123 E

कृते मनुभाई एंड शाह एल एल पी
सनदी लेखाकार
For Manubhai & Shah LLP
Chartered Accountants



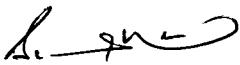
(हितेश एम. पमल/ Hitesh M. Pomal)
भागीदार स.सं. /Partner M.No. 106137
फर्म पंजी. सं./
Firm Regn.No.106041W/W100136

कृते एम. भाष्कर राव एंड कं.
सनदी लेखाकार
For M. Bhaskara Rao & Co.
Chartered Accountants



(एम.वी.रमन मूर्ति/ M.V. Ramana Murthy)
भागीदार स.सं. /Partner M.No. 206439
फर्म पंजी. सं./Firm Regn.No.000459 S

कृते जीएसए एंड एसोसिएट्स
सनदी लेखाकार
For GSA & Associates
Chartered Accountants



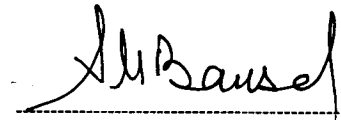
(सुनील अग्रवाल/ Sunil Aggarwal)
भागीदार स.सं. /Partner M.No. .083899
फर्म पंजी. सं./Firm Regn.No.000257 N

कृते चटर्जी एंड कं.
सनदी लेखाकार
For Chatterjee & Co.
Chartered Accountants



(आर. एन. बासु / R. N. Basu)
भागीदार स.सं. /Partner M.No. 050430
फर्म पंजी. सं./Firm Regn.No.302114 E

कृते बंसल एंड कं.
सनदी लेखाकार
For Bansal & Co.
Chartered Accountants




(सुरिंदर के. बंसल/ Surinder K. Bansal)
भागीदार स.सं. /Partner M.No. 014301
फर्म पंजी. सं./Firm Regn.No.001113 N

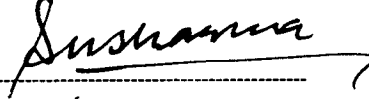
कृते अमित रे एंड कं.
सनदी लेखाकार
For Amit Ray & Co.
Chartered Accountants

कृते एस एल छाजड एंड कं.
सनदी लेखाकार
For S L Chhajer & Co.
Chartered Accountants

कृते मित्तल गुप्ता एंड कं.
सनदी लेखाकार
For Mittal Gupta & Co.
Chartered Accountants



(बासुदेव बनर्जी / Basudeb Banerjee)
भागीदार स.सं. /Partner M.No. 070468
फर्म पंजी. सं./Firm Regn.No.000483 C



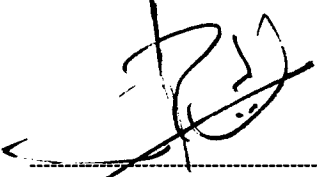
(एस. एन. शर्मा / S. N. Sharma)
भागीदार स.सं. /Partner M.No. 071224
फर्म पंजी. सं./Firm Regn.No.000709 C



(अक्षय कुमार गुप्ता/Akshay Kumar Gupta)
भागीदार स.सं. /Partner M.No. 070744
फर्म पंजी. सं./Firm Regn.No.001874 C

कृते राव एंड कुमार
सनदी लेखाकार
For Rao & Kumar
Chartered Accountants

कृते ब्रह्मय्या एंड कं.
सनदी लेखाकार
For Brahmayya & Co.
Chartered Accountants



(के. पार्वती कुमार / K. Parvathi Kumar)
भागीदार स.सं. /Partner M.No. 11684
फर्म पंजी. सं./Firm Regn.No.003089 S



(एन. श्री कृष्णा / N. Sri Krishna)
भागीदार स.सं. /Partner M.No. 026575
फर्म पंजी. सं./Firm Regn.No.000511 S

कोलकाता / Kolkata
19 मई / May 2017

INDEPENDENT AUDITOR'S REPORT

To,
The Board of Directors,
State Bank of India,
Corporate Centre,
State Bank Bhavan, Mumbai

Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated Financial Statements of State Bank of India (the "Bank") and its Subsidiaries, Joint Ventures and Associates (the "Group") [The entities of the Group whose Financial Statements are included in the Consolidated Financial Statements are listed in Schedule 18 - Notes to Accounts - which forms part of the Consolidated Financial Statements of the Group] which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. The Management of State Bank of India is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the requirements of the Accounting Standard 21 – "Consolidated Financial Statements", Accounting Standard 23 – "Accounting for Investment in Associates in Consolidated Financial Statements" and Accounting Standard 27 – "Financial Reporting of Interest in Joint Ventures" issued by the Institute of Chartered Accountants of India, the requirements of Reserve Bank of India, the State Bank of India Act, 1955 and other accounting principles generally accepted in India. This responsibility of the management of State Bank of India includes the design, implementation and maintenance of internal controls and risk management systems relevant to the preparation and presentation of the consolidated financial statements of the SBI Group that give a true and fair view and are free from material misstatement, whether due to fraud or error. We are informed that the management of the individual entities of the group have implemented such

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internal controls and risk management systems that are relevant to the preparation of the financial statements and the designed procedures that are appropriate in the circumstances so that the internal controls with regard to all the activities of the SBI Group are effective. These statements have been prepared on the basis of separate financial statements and other financial information regarding components,

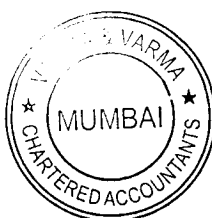
Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation of consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management of the entities of the Group, as well as evaluating the overall presentation of the consolidated financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, and based on our consideration of the reports of other auditors on separate financial statements of Subsidiaries, Joint Ventures and Associates, the unaudited financial statements and the other financial information of a subsidiary and certain associates as furnished by the Management, the attached consolidated

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financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2017;
- (b) in the case of the Consolidated Profit and Loss Account, of the consolidated profit of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

7. Incorporated in these consolidated financial statements are the:

(a) Audited accounts of the Bank audited by 14 (fourteen) Joint Auditors including us which reflect total assets of INR 27,05,787 crores as at March 31, 2017, total revenue of INR 210,979 crores, and net cash inflows amounting to INR 4,504 Crores for the year then ended;

(b) Audited accounts of 31 (thirty one) Subsidiaries, 9 (nine) Joint Ventures and 19 (nineteen) Associates audited by other auditors whose financial statements reflects the Group's share in total assets of INR 7,62,739 Crores as at March 31, 2017, the Group's share in total revenue of INR 90,993 Crores, the Group's share in net cash inflows amounting to INR 65,231 Crores, and the Group's share in profit from associates of INR 274 Crores for the year then ended;

(c) Unaudited accounts of 1 (one) Subsidiary and 1 (one) Associates whose financial statements reflect total assets of INR 4,726 Crores as at March 31, 2017, total revenue of INR 165 Crores, net cash outflows amounting to INR 130 Crores and the Group's share in profit from associates of INR 19 Crores for the year then ended.

These financial statements and other financial information have been furnished to us by the management. Our opinion, in so far as it relates to the affairs of such subsidiaries, joint ventures and associates, is based solely on the report of the other auditors and unaudited financial statements referred to above.

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8. The auditors of SBI Life Insurance Company Ltd., a subsidiary of the Group have reported that the actuarial valuation of liabilities for life policies in force is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities for life policies in force and for policies in respect of which the premium has been discontinued but liability exists as at 31 March 2017 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI / "Authority") and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists on standalone financial statements of the Company.

Our opinion is not modified in respect of these matters.

Place: Kolkata
Date: 19th May 2017



For VARMA & VARMA
Chartered Accountants
FRN 004532S

A handwritten signature in black ink, appearing to be "Cherian K Baby".

Cherian K Baby
Partner
M. No. 016043