



भारतीय स्टेट बैंक
भारतीय स्टेट बैंक
State Bank of India

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

शेयर आणि बॉन्ड विभाग, कारपोरेट केंद्र, 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. 22.05.2018

CC/S&B/SA/333

The Executive Director
BSE Ltd., Phirojee Jeejeebhoy
Towers 25th Floor
Dalal Street,
Mumbai-400001

The Managing Director
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1,
G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400051

Dear Sir/Madam,

LISTING REGULATIONS 2015: OUTCOME OF BOARD MEETING
FINANCIAL RESULTS FOR THE YEAR ENDED 31.03.2018

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 Results of the Bank for the financial year ended 31st March 2018, taken on record by the Central Board of the Bank at its Meeting held on date.

2. Further, we advise that the Central Board of the Bank, at its Meeting held on date, has not declared any Dividend for the financial year ended 31st March 2018.

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, 2018 is with unmodified opinion.

Thanking you,

Yours faithfully,

(Sanjay M Abhyankar)

Vice President 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, 2018

(₹ in crore)

S. No	Particulars	Standalone				Consolidated		
		Quarter ended			Year ended		Year ended	
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)
1	Interest earned (a)+(b)+(c)+(d)	55,941.28	54,802.89	47,392.57	2,20,499.31	1,75,518.24	2,28,970.28	2,30,447.10
	(a) Interest/ discount on advances/ bills	34,234.86	35,185.39	29,861.16	1,41,363.17	1,19,510.00	1,44,958.59	1,56,790.48
	(b) Income on investments	18,278.36	18,146.84	13,507.03	70,337.61	48,205.31	75,036.62	64,200.98
	(c) Interest on balances with Reserve Bank of India and other inter-bank funds	255.89	275.11	887.70	2,250.00	1,753.47	2,410.75	2,591.57
	(d) Others	3,172.17	1,195.55	3,136.68	6,548.53	6,049.46	6,564.32	6,864.07
2	Other income	12,494.78	8,084.17	10,327.50	39,164.52	35,460.93	72,521.03	68,193.16
3	TOTAL INCOME (1)+(2)	68,436.06	62,887.06	57,720.07	2,59,663.83	2,10,979.17	3,01,491.31	2,98,640.26
4	Interest expended	35,967.00	36,115.37	29,321.85	1,45,645.60	1,13,658.50	1,46,602.98	1,49,114.67
5	Operating expenses (e)+(f)	16,585.88	15,017.12	12,371.76	59,943.45	46,472.77	96,154.37	87,289.88
	(e) Employee cost	9,254.17	8,496.79	6,242.25	33,178.68	26,489.28	35,410.62	35,691.21
	(f) Other operating expenses	7,331.71	6,520.33	6,129.51	26,764.77	19,983.49	60,743.75	51,598.67
6	TOTAL EXPENDITURE (4)+(5) (excluding provisions and contingencies)	52,552.88	51,132.49	41,693.61	2,05,589.05	1,60,131.27	2,42,757.35	2,36,404.55
7	OPERATING PROFIT (3)-(6) (before provisions and contingencies)	15,883.18	11,754.57	16,026.46	54,074.78	50,847.90	58,733.96	62,235.71
8	Provisions (other than tax) and contingencies (net of write backs)	28,096.07	18,876.21	11,740.09	75,039.19	35,992.74	76,015.08	61,290.88
	Provisions for non-performing assets included above	24,080.05	17,759.72	10,992.92	70,680.24	32,246.69	71,525.99	55,916.75
9	Exceptional items	-	-	-	5,436.17	-	5,036.21	-
10	PROFIT/ (LOSS) FROM ORDINARY ACTIVITIES BEFORE TAX (7)-(8)+(9)	-12,212.89	-7,121.64	4,286.37	-15,528.24	14,855.16	-12,244.91	944.83
11	Tax expense/ (credit)	-4,494.72	-4,705.27	1,471.55	-8,980.79	4,371.06	-8,057.50	1,335.50
12	NET PROFIT/ (LOSS) FROM ORDINARY ACTIVITIES AFTER TAX (10)-(11)	-7,718.17	-2,416.37	2,814.82	-6,547.45	10,484.10	-4,187.41	-390.67
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-
14	NET PROFIT/ (LOSS) FOR THE PERIOD (12)-(13)	-7,718.17	-2,416.37	2,814.82	-6,547.45	10,484.10	-4,187.41	-390.67
15	Share in profit of associates	-	-	-	-	-	438.16	293.28
16	Share of minority	-	-	-	-	-	807.04	-338.62
17	NET PROFIT/ (LOSS) AFTER MINORITY INTEREST (14)+(15)-(16)	-7,718.17	-2,416.37	2,814.82	-6,547.45	10,484.10	-4,556.29	241.23
18	Paid-up equity share capital (face value of ₹1/- each)	892.46	863.21	797.35	892.46	797.35	892.46	797.35
19	Reserves excluding revaluation reserves	-	-	-	1,93,388.12	1,55,903.06	2,04,581.50	1,80,800.92
20	Analytical ratios							
	(i) Percentage of shares held by Government of India	58.03%	56.61%	61.23%	58.03%	61.23%	58.03%	61.23%
	(ii) Capital adequacy ratio (Basel III)	12.60%	12.68%	13.11%	12.60%	13.11%		
	(a) CET 1 ratio	9.68%	9.60%	9.82%	9.68%	9.82%		
	(b) Additional tier 1 ratio	0.68%	0.70%	0.53%	0.68%	0.53%		
	(iii) Earnings per share (EPS) (₹)							
	(a) Basic and diluted EPS before Extraordinary items (net of tax expense) (Quarter numbers not annualised)	-8.92	-2.80	3.55	-7.67	13.43	-5.34	0.31
	(b) Basic and diluted EPS after Extraordinary items (net of tax expense) (Quarter numbers not annualised)	-8.92	-2.80	3.55	-7.67	13.43	-5.34	0.31
	(iv) NPA ratios							
	(a) Amount of gross non-performing assets	2,23,427.46	1,99,141.34	1,12,342.99	2,23,427.46	1,12,342.99		
	(b) Amount of net non-performing assets	1,10,854.70	1,02,370.12	58,277.38	1,10,854.70	58,277.38		
	(c) % of gross NPAs	10.91%	10.35%	6.90%	10.91%	6.90%		
	(d) % of net NPAs	5.73%	5.61%	3.71%	5.73%	3.71%		
	(v) Return on assets (Net Assets basis - Annualised)	-0.92%	-0.30%	0.43%	-0.19%	0.41%		

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

Part A: Primary Segments: Business

S. No.	Particulars	Standalone				Consolidated		(₹ in crore)
		Quarter ended		Year ended		Year ended		
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)	31.03.2018 (Audited)	
1	Segment Revenue							
	a Treasury operations (before exceptional items)	19,955.40	20,091.28	16,728.91	82,020.76	63,551.80	82,163.87	78,525.43
	b Corporate/ Wholesale Banking operations	17,177.41	14,519.75	15,712.74	63,280.84	60,676.63	64,365.45	83,694.12
	c Retail Banking operations	29,202.33	28,148.43	22,977.47	1,11,809.55	84,411.17	1,11,963.61	1,06,413.35
	d Insurance Business	-	-	-	-	-	34,088.22	28,047.53
	e Other Banking operations	-	-	-	-	-	8,637.67	6,174.73
	f Add/ (Less): Unallocated	2,100.92	127.60	2,300.95	2,552.68	2,339.57	2,571.02	2,419.27
	Total Segment Revenue	68,436.06	62,887.06	57,720.07	2,59,663.83	2,10,979.17	3,03,789.84	3,05,274.43
	Less: Inter Segment Revenue	-	-	-	-	-	2,298.53	6,634.17
	Net Segment Revenue	68,436.06	62,887.06	57,720.07	2,59,663.83	2,10,979.17	3,01,491.31	2,98,640.26
2	Segment Results							
	a.i Treasury operations (before exceptional items)	-3,350.46	-3,255.72	1,627.32	48.05	14,043.57	-16.83	14,559.33
	a.ii Add: Exceptional items	-	-	-	5,436.17	-	5,036.21	-
	a.iii Treasury operations (after exceptional items)	-3,350.46	-3,255.72	1,627.32	5,484.22	14,043.57	5,019.38	14,559.33
	b Corporate/ Wholesale Banking operations	-13,525.40	-10,747.05	-4,845.41	-38,498.98	-13,862.09	-38,316.71	-24,803.47
	c Retail Banking operations	3,586.57	7,788.60	6,252.80	19,412.16	16,534.26	19,464.25	10,826.76
	d Insurance Business	-	-	-	-	-	1,832.28	1,308.71
	e Other Banking operations	-	-	-	-	-	1,680.23	1,717.58
	f Add/ (Less): Unallocated	1,076.40	-907.47	1,251.66	-1,925.64	-1,860.58	-1,924.34	-2,664.08
	Profit/ (Loss) from Ordinary Activities before Tax	-12,212.89	-7,121.64	4,286.37	-15,528.24	14,855.16	-12,244.91	944.83
	Less: Tax Expense	-4,494.72	-4,705.27	1,471.55	-8,980.79	4,371.06	-8,057.50	1,335.50
	Net Profit/ (Loss) before share in profit of associate and minority interest	-7,718.17	-2,416.37	2,814.82	-6,547.45	10,484.10	-4,187.41	-390.67
	Add: Share in profit of associates	-	-	-	-	-	438.16	293.28
	Less: Share of minority	-	-	-	-	-	807.04	-338.62
	Net Profit ¹	-7,718.17	-2,416.37	2,814.82	-6,547.45	10,484.10	-4,556.29	241.23
3	Segment assets							
	a Treasury operations	10,89,553.51	10,83,824.25	8,04,449.56	10,89,553.51	8,04,449.56	10,85,909.92	10,07,725.87
	b Corporate/ Wholesale Banking operations	10,11,026.98	9,13,222.52	9,31,293.68	10,11,026.98	9,31,293.68	10,24,506.47	11,51,526.43
	c Retail Banking operations	13,22,851.33	12,35,388.01	9,54,597.65	13,22,851.33	9,54,597.65	13,19,933.76	11,33,220.08
	d Insurance Business	-	-	-	-	-	1,27,099.09	1,06,318.18
	e Other Banking operations	-	-	-	-	-	27,548.89	18,110.16
	f Unallocated	31,320.18	22,759.05	15,625.41	31,320.18	15,625.41	31,434.87	28,220.84
	Total	34,54,752.00	32,55,193.83	27,05,966.30	34,54,752.00	27,05,966.30	36,16,433.00	34,45,121.56
4	Segment liabilities							
	a Treasury operations	8,19,731.87	7,85,068.56	6,08,747.16	8,19,731.87	6,08,747.16	8,10,044.02	7,09,453.02
	b Corporate/ Wholesale Banking Operations	10,48,664.62	9,37,470.71	8,44,527.74	10,48,664.62	8,44,527.74	10,63,520.41	11,03,341.85
	c Retail Banking operations	13,11,134.57	12,55,222.44	9,97,848.30	13,11,134.57	9,97,848.30	13,11,488.36	12,14,492.46
	d Insurance Business	-	-	-	-	-	1,19,097.01	99,646.13
	e Other Banking operations	-	-	-	-	-	21,136.24	12,525.34
	f Unallocated	56,092.38	60,493.39	66,557.04	56,092.38	66,557.04	60,825.01	88,470.61
	g Capital and Reserves & surplus	2,19,128.56	2,16,938.73	1,88,286.06	2,19,128.56	1,88,286.06	2,30,321.95	2,17,192.15
	Total	34,54,752.00	32,55,193.83	27,05,966.30	34,54,752.00	27,05,966.30	36,16,433.00	34,45,121.56

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		(₹ in crore)
		Year ended		Year ended		Year ended		
		31.03.2018 (Audited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)	
1	Standalone							
	a Revenue ²	2,48,361.36	2,00,296.31	11,302.47	10,682.86	2,59,663.83	2,10,979.17	
	b Net Profit ²	-7,891.83	7,637.52	1,344.38	2,846.58	-6,547.45	10,484.10	
	c Assets ³	30,69,761.21	23,45,534.83	3,84,990.79	3,60,431.47	34,54,752.00	27,05,966.30	
	d Liabilities ³	28,50,632.65	21,57,248.77	3,84,990.79	3,60,431.47	32,35,623.44	25,17,680.24	
2	Consolidated							
	a Revenue ²	2,88,659.38	2,86,662.86	12,831.93	11,977.40	3,01,491.31	2,98,640.26	
	b Net Profit ²	-6,162.65	-2,871.79	1,606.36	3,113.02	-4,556.29	241.23	
	c Assets ³	32,04,196.42	30,59,467.86	4,12,236.58	3,85,653.70	36,16,433.00	34,45,121.56	
	d Liabilities ³	29,78,268.42	28,46,368.69	4,07,842.63	3,81,560.72	33,86,111.05	32,27,929.41	

² for the year ended March 31, 2018

³ as at March 31, 2018

STATE BANK OF INDIA
CORPORATE CENTRE, MUMBAI - 400 021
SUMMARISED STATEMENT OF ASSETS & LIABILITIES

S. No.	Particulars	Standalone			Consolidated		(₹ in crore)
		31.03.2018 (Audited)	31.12.2017 (Unaudited)	31.03.2017 (Audited)	31.03.2018 (Audited)	31.03.2017 (Audited)	
1	Capital and Liabilities						
	a Capital	892.46	863.21	797.35	892.46	797.35	
	b Reserves & surplus	2,18,236.10	2,16,075.52	1,87,488.71	2,29,429.49	2,16,394.80	
	c Minority interest	-	-	-	4,615.24	6,480.65	
	d Deposits	27,06,343.29	26,51,239.90	20,44,751.39	27,22,178.28	25,99,810.66	
	e Borrowings	3,62,142.07	2,60,434.98	3,17,693.66	3,69,079.34	3,36,365.66	
	f Other liabilities and provisions	1,67,138.08	1,26,580.22	1,55,235.19	2,90,238.19	2,85,272.44	
	Total Capital and Liabilities	34,54,752.00	32,55,193.83	27,05,966.30	36,16,433.00	34,45,121.56	
2	Assets						
	a Cash and balances with Reserve Bank of India	1,50,397.18	1,28,728.62	1,27,997.62	1,50,769.46	1,61,018.61	
	b Balances with banks and money at call and short notice	41,501.46	48,391.41	43,974.03	44,519.65	1,12,178.54	
	c Investments	10,60,986.72	10,40,450.16	7,65,989.63	11,83,794.24	10,27,280.87	
	d Advances	19,34,880.19	18,26,211.86	15,71,078.38	19,60,118.54	18,96,886.82	
	e Fixed assets	39,992.25	39,848.79	42,918.92	41,225.79	50,940.74	
	f Other assets	2,26,994.20	1,71,562.99	1,54,007.72	2,36,005.32	1,96,815.98	
	Total Assets	34,54,752.00	32,55,193.83	27,05,966.30	36,16,433.00	34,45,121.56	

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Notes:

- 1 The above financial results have been reviewed by the Audit Committee of the Board at their meeting held on May 21, 2018 and approved by the Board of Directors at their meeting held on May 22, 2018.
- 2 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 up to the third quarter of the current financial year.
- 3 The financial results for the quarter/twelve months ended March 31, 2018 have been arrived at after considering necessary provisions for NPAs, Standard Assets, Standard Derivative Exposures and Investment Depreciation on the basis of prudential norms and directions issued by the RBI. Provisions for Contingencies, Employee Benefits including provision for wage revision, Direct Taxes (after adjustment for Deferred Tax) and for other items / assets are made on estimates.
- 4 The Bank changed its accounting policy with respect to booking of commission earned on issuance of Letter of Credit and Bank guarantees, other than on deferred payment guarantees w. e. f. April 1, 2017. Now these are being recognized over the period of LC/BG, instead of on realisation basis done earlier. The impact of the change in policy, as compared to previous practice has resulted in lower income under this head to the extent of ₹ 1,203.60 Crores for the twelve months period and ₹ 244.09 Crores during the quarter ended March 31, 2018. There are no other material changes in the Significant Accounting Policies adopted during the twelve months period ended March 31, 2018 as compared to those followed in the annual financial statements for the year ended March 31, 2017.
- 5 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 as of March 31, 2018 are placed on the Bank's Website <http://www.sbi.co.in>.
- 6
 - a. The Bank received application money of ₹ 15,000.00 crore including share premium of ₹ 14,947.78 crore by way of Qualified Institutional Placement (QIP) against issue of 52,21,93,211 equity shares of ₹ 1 each. The equity shares were allotted on 12.06.2017.
 - b. The Bank received application money of ₹ 0.05 crore including share premium of ₹ 0.05 crore by way of the issue of 3,400 equity shares of ₹ 1 each kept in abeyance. The equity shares kept in abeyance were allotted on 01.11.2017.
 - c. The Bank received application money of ₹ 8,800.00 crore including share premium amount of ₹ 8,770.75 crore from Government of India against Preferential Issue of 29,25,33,741 equity shares of ₹ 1 each to Government of India. The equity shares were allotted on 27.03.2018. These shares were credited to demat account (CDSL) of Government of India on 03.04.2018 and listed at NSE on 02.04.2018 and BSE on 03.04.2018.
- 7 The Capital adequacy ratio is computed on the basis of RBI guidelines applicable on the relevant

reporting dates and the ratio for the corresponding previous periods is not comparable to consider the impact of subsequent changes, if any, in the guidelines.

- 8 Consequent upon amendment in Payment of Gratuity Act 1972 and revision in gratuity ceiling from ₹ 10.00 Lakh to ₹ 20.00 lakh, the additional liability works out to ₹ 3,610.00 crore. RBI has vide letter No. DBR.BP.9730/21.04.018/2017-18 dated 27th April 2018 advised that banks, may at their discretion, spread the expenditure involved over four quarters beginning from the quarter ended March 31, 2018. They have also advised that the enhanced gratuity related unamortized expenditure would not be reduced from Tier I capital. Accordingly, out of the total additional liability of ₹ 3,610.00 crore, an amount of ₹ 902.50 crore have been charged to the Profit & Loss Account for the year ended March 31, 2018 and the remaining unamortized liability of ₹ 2,707.50 crore shall be provided over next three quarters i.e. from June'18 quarter to December'18 quarter.
- 9 (a) On April 18, 2017, RBI through its circular advised that the provisioning rates prescribed as per the prudential norms circular are the regulatory minimum and banks are encouraged to make provisions at higher rates in respect of advances to stressed sectors of the economy. Accordingly, during the current quarter, the Bank as per its Board approved policy made additional general provision amounting to ₹ 57.22 Crore on standard loans to borrowers.
(b) RBI vide letter DBR.No.BP.8756/21.04.048/2017-18 dated April 2, 2018, the provisioning requirements in respect of NCLT accounts is reduced from 50% of secured portion to 40% of secured portion as at March 31, 2018. Based on the prospects of recovery bank has availed the relaxation in a few accounts.
- 10 RBI vide letter RBI 2017-18/131/DBR.No.BP.BC.101/21.04.048/2017-18 dated February 12, 2018, issued a Revised Framework for Resolution of Stressed Assets, which superseded the existing guidelines on CDR,SDR, change in ownership outside SDR, Flexible Structuring of Existing Long term project loans (5/25 Scheme) and S4A with immediate effect. Under the revised framework, the stand-still benefits for accounts where any of these schemes had been invoked but not yet implemented were revoked and accordingly these accounts have been classified as per the extant RBI prudential norms on Income Recognition and Asset Classification.
- 11 RBI Circular DBR.No.BP.BC.102/21.04.048/2017-18 dated April 2, 2018 grants banks an option to spread provisioning on mark to market losses on investments held in AFS and HFT for the quarters ended December 31, 2017 and March 31, 2018. The circular states that the provisioning for each of these quarters may be spread equally over up to four quarters, commencing with the quarter in which the loss was incurred. The Bank has recognized the entire net mark to market loss on investments in the respective quarters and has not availed the said option
- 12 **Acquisition of Erstwhile Domestic Banking subsidiaries (e-DBS) & Bharatiya Mahila Bank Limited**
a) The Government of India has accorded sanction under sub-section (2) of section 35 of the State Bank of India Act, 1955, for acquisition of five domestic banking subsidiaries (DBS) of SBI namely (i) State Bank of Bikaner & Jaipur (SBBJ), (ii) State Bank of Mysore (SBM), (iii) State Bank of Travancore (SBT), (iv) State Bank of Patiala (SBP), (v) State Bank of Hyderabad (SBH) and for acquisition of Bharatiya Mahila Bank Limited (BMBL) (hereinafter collectively referred to as Transferor Banks) vide orders dated February 22, 2017 and March 20, 2017. As per GOI orders these schemes of acquisition came into effect from April 01, 2017 (hereafter referred to as the effective date).

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b) The eligible shareholders of the merged entities were allotted shares of SBI, as mentioned below.

Name of the Transferor Banks	Share exchange ratio/ Issued
State Bank of Bikaner and Jaipur (SBBJ)	28 shares of face value ₹ 1 each of SBI for every 10 shares of SBBJ of face value ₹ 10 each fully paid up aggregating to 4,88,54,308 shares of face value ₹ 1 each of SBI.
State Bank of Mysore (SBM)	22 shares of face value of ₹ 1 each for every 10 shares of SBM of face value ₹ 10 each fully paid up aggregating to 1,05,58,379 shares of face value ₹ 1 each of SBI.
State Bank of Travancore (SBT)	22 shares of face value of ₹ 1 each for every 10 shares of SBT of face value of ₹ 10 each fully paid up aggregating to 3,27,08,543 shares of face value ₹ 1 each of SBI.
Bharatiya Mahila Bank Limited (BMBL)	4,42,31,510 shares of face value of ₹ 1 each for 100,00,00,000 shares of BMBL of face value of ₹ 10 each fully paid up.

Further, SBI has paid cash in respect of entitlements to fraction of equity shares wherever so determined. In respect of State Bank of Patiala (SBP) and State Bank of Hyderabad (SBH) which were wholly owned entities, entire share capital of those banks were cancelled against the investments held in those entities.

c) The merger of DBS & BMBL with SBI, has been accounted under the 'pooling of interest' method as per Accounting Standard 14 (AS 14), "Accounting for amalgamation" and the approved Scheme of Acquisition. Pursuant thereto, all assets and liabilities amounting to ₹ 11,314.75 crore (net) of the transferor Banks have been recorded in the books of SBI at their existing carrying amounts as on effective date, in consideration for 13,63,52,740 shares of face value of ₹ 1 each of SBI and ₹ 0.25 crore paid in cash towards fractional entitlements as stated above and SBI's investments in e-DBS on effective date stands cancelled. The net difference between share capital of transferor banks of e-DBS & BMBL and corresponding investments by SBI and cash in lieu of fractional entitlement of shares have been transferred to Capital Reserve. The net assets taken over on amalgamation are as under:

(₹ in crore)

Particulars	e-SBBJ	e-SBH	e-SBM	e-SBP	e-SBT	e-BMB	Total
Assets taken over							
Cash & balances with RBI	8,596.66	7,328.66	4,669.93	5,242.96	6,858.88	46.64	32,743.73
Balances with Banks & Money at Call & Short Notice	2,002.50	21,453.95	19,167.30	73.59	23,347.74	635.11	66,680.19
Investments	34,922.37	43,628.77	23,861.63	32,706.10	40,777.06	707.62	1,76,603.55
Advances	64,830.01	79,375.57	34,474.63	70,018.98	48,617.57	567.49	2,97,884.25
Fixed Assets	1,353.65	1,662.33	1,532.58	1,420.45	995.82	22.68	6,987.51
Other Assets	4,558.73	9,598.12	5,261.05	13,367.08	5,176.53	50.94	38,012.45
Total Assets (A)	1,16,263.92	1,63,047.40	88,967.12	1,22,829.16	1,25,773.60	2,030.48	6,18,911.68

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Liabilities taken over							
Reserves & Surplus	4,070.33	8,377.94	2,766.44	1,858.95	2,554.84	-	19,628.50
Deposits	1,04,008.73	1,41,898.94	78,474.22	1,00,794.63	1,14,688.90	975.77	5,40,841.19
Borrowings	1,553.75	5,619.05	2,648.52	4,071.60	3,035.00	-	16,927.92
Other Liabilities & Provisions	4,378.86	6,783.92	4,072.09	11,244.88	3,700.24	19.33	30,199.32
Total Liabilities (B)	1,14,011.67	1,62,679.85	87,961.27	1,17,970.06	1,23,978.98	995.10	6,07,596.93
Net Assets taken over (A-B)	2,252.25	367.55	1,005.85	4,859.10	1,794.62	1,035.38	11,314.75
Net difference between share capital of e-DBS & BMBL and corresponding investments by SBI	17.44	-	4.79	-	14.88	1,000.01	1,037.12
Less :							
(a) 13,63,52,740 shares of face value of ` 1 each issued by SBI as consideration	4.88	-	1.05	-	3.28	4.43	13.64
(b) Cash in lieu of fractional entitlement of shares	0.12	-	0.09	-	0.04	-	0.25
Difference transferred to Capital Reserve	12.44	-	3.65	-	11.56	995.58	1,023.23

13 In compliance with the Risk Assessment Report(RAR) of RBI for the year 2016-17:

a) Non-Performing Assets of ₹ 23,239.13 Crores have been duly classified and additional provision there against amounting to ₹ 5,720.66 Crores has been made, as detailed below.

Sl. no	Particulars	Amount in Cr
1	Gross NPAs as on 31 March, 2017, as reported by the Bank	1,12,342.99
2	Gross NPAs as on 31 March, 2017, as assessed by RBI	1,35,582.12
3	Divergence in Gross NPAs (2-1)	23,239.13
4	Net NPAs as on 31 March, 2017, as reported by the Bank	58,277.38
5	Net NPAs as on 31 March, 2017, as assessed by RBI	75,795.85
6	Divergence in Net NPAs (5-4)	17,518.47
7	Provisions for NPAs as on 31 March, 2017, as reported by the Bank	54,065.61
8	Provisions for NPAs as on 31 March, 2017, as assessed by RBI	59,786.27
9	Divergence in provisioning (8-7)	5,720.66
10	Reported Net Profit after Tax(PAT) for the year ended March 31, 2017	10,484.10
11	Adjusted (notional) Net Profit after Tax (PAT) for the year ended 31 March, 2017 after taking into account the divergence in provisioning	6,743.25


* The net current impact of the aforementioned retrospective slippages due to divergences noted by RBI has been duly reflected in the results for the year ended March, 2018.

b) The bank has reversed the effect of revaluation amounting to ₹ 11,210.94 Crores made in earlier periods in the value of certain leasehold properties, which has resulted in write back of depreciation charged in

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previous year amounting to ₹ 193.24 Crores. Consequential effect on capital adequacy ratio arising from the above has been made in the results for the year ended March, 2018.

- 14 During the current year the bank has recognised Deferred Tax Asset, on provision for standard assets as per IRAC norms, amounting to ₹ 2,461.40 Crores which was hitherto not considered for Deferred Tax Asset; with consequential effect on the results for the year.
- 15 The bank has made an adhoc provision of ₹ 1,659.41 Crores towards arrears of wages due for revision w.e.f November 1, 2017.
- 16 Exceptional items during the year represents net profit of ₹ 5,436.17 Crores on sale of partial investments in the bank's subsidiary SBI Life Insurance Company Limited.
- 17 Provision Coverage Ratio as on March 31, 2018 was 66.17%.
- 18 Number of Investors' complaints pending at the beginning of the quarter was Nil. The Bank has received 109 Investors' complaints during the quarter ended March 31, 2018. 109 complaints have been disposed off during the quarter. There is no pending Investors' complaints at the end of the quarter.
- 19 (a) The results for the year ended 31st March, 2018 include the result of operations of the erstwhile domestic banking subsidiaries (DBS) & Bharatiya Mahila Bank Limited (BMBL) for the period from 1 April 2017 to the year end. Hence, the results of the Bank are not comparable to that of the corresponding previous year.
- (b) Previous period/year figures have been regrouped / reclassified, wherever necessary, to conform to current period classifications.


Dinesh Kumar Khara
MD (Risk, IT & Subsidiaries)


P K Gupta
MD (Retail & Digital Banking)


B Sriram
MD (Corporate & Global Banking)


Rajnish Kumar
Chairman

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 2018, which comprise the Balance Sheet as on that date, and 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, 16 Local Head Offices, Global Market Group, International Business Group, Corporate Accounts Group (Central), Mid-Corporate Group (Central), Stressed Assets Resolution Group (Central), Central Accounts Offices and 42 branches audited by us;
 - ii) 14,566 Indian Branches audited by other auditors;
 - iii) 51 Foreign Branches audited by the local auditors.

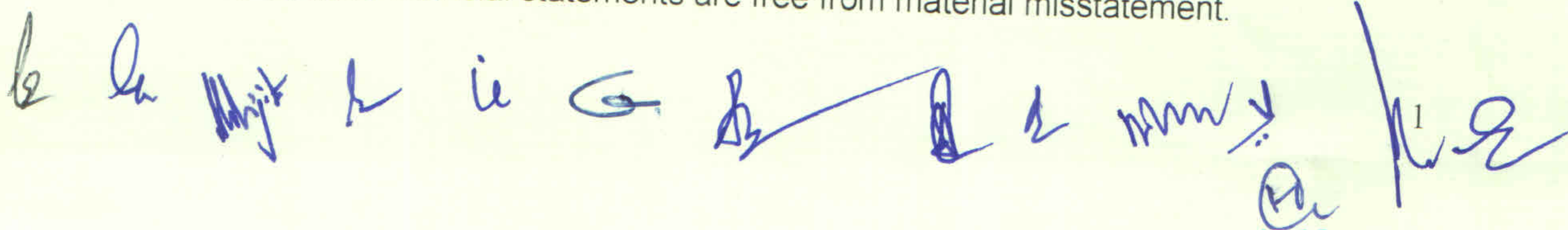
The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet and the Profit and Loss Account are the returns from 9,033 Indian Branches (including other accounting units) which have not been subjected to audit. These unaudited branches account for 3.49 % of advances, 12.56 % of deposits, and 4.62 % of interest income and 12.85 % 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, 2018 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 loss, 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.

Emphasis of Matter

7. We draw attention to:
- a) Note no 18(9)(b), regarding unamortized balance of INR 2,707.50 Crores on account of additional liabilities towards Gratuity; and
 - b) Note no 18(9)(g), regarding recognition of Deferred Tax Assets of INR 2,461.40 Crores on provision for standard assets.

Our Opinion is not modified in respect of the above stated matters.

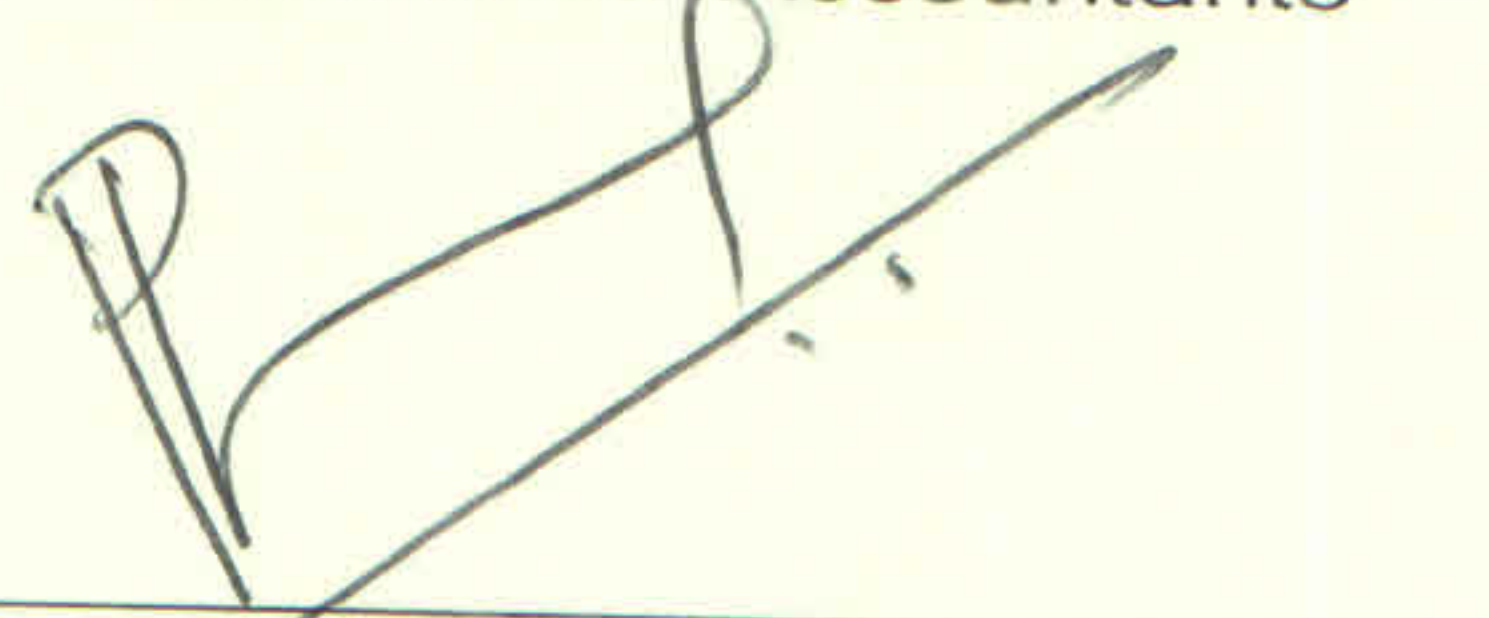
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Report on Other Legal and Regulatory Requirements

8. 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.
9. 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:
- 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.
 - The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
 - The returns received from the offices and branches of the Bank have been found adequate for the purposes of our audit.
10. We further report that:
- The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account and returns.
 - The reports on the accounts of the branch offices audited by branch auditors of the Bank as per the provisions of the Banking Regulation Act, 1949, and the State Bank of India Act, 1955 have been sent to us and have been properly dealt with by us in preparing this report.
 - In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the applicable accounting standards.

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



पी. आर. प्रसन्ना वर्मा
भागीदार: एम.नं.025854
फर्म पंजी. नं.004532 S
P R Prasanna Varma
Partner : M.No.025854
Firm Regn. No. 004532 S

कृते मनुभाई एण्ड शाह, एलएलपी
सनदी लेखाकार
For Manubhai & Shah LLP
Chartered Accountants



हितेश एम.पोमल
भागीदार: एम. नं.106137
फर्म पंजी. नं. 106041W/W100136
Hitesh M. Pomal
Partner: M.No.106137
FirmRegn.No.106041W/W100136

कृते एम. भास्कर राव एण्ड कं.
सनदी लेखाकार
For M Bhaskara Rao & Co.
Chartered Accountants



एम. वी. रमण मूर्ति
भागीदार: एम. नं. M.No.206439
फर्म पंजी. नं. 000459 S
M V Ramana Murthy
Partner : M.No.206439
Firm Regn. No.000459 S

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



सुनील अग्रवाल
भागीदार: एम. नं. 083899
फर्म पंजी. नं. 000257 N
Sunil Aggarwal
Partner : M No.083899
Firm Regn. No. 000257 N

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



आर. एन. बसु
भागीदार: एम. नं. 050430
फर्म पंजी. नं. 302114 E
R N Basu
Partner : M No.050430
Firm Regn. No.302114 E

कृते बंसल एण्ड कं.एलएलपी
सनदी लेखाकार
For Bansal & Co LLP
Chartered Accountants



आर. सी. पाण्डेय
भागीदार: एम. नं. 070811
फर्म पंजी. नं. 001113N/N500079
R.C. Pandey
Partner : M.No.070811
FirmRegn.No.001113N/N500079

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



बासुदेव बनर्जी
भागीदार: एम. नं. 070468
फर्म पंजी. नं. 000483 C
Basudeb Banerjee
Partner : M No.070468
Firm Regn. No. 000483 C

कृते एस. एल. छाजेड एण्ड कं.
सनदी लेखाकार
For S L Chhajed & Co.
Chartered Accountants



अभय छाजेड
भागीदार: एम. नं. 079662
फर्म पंजी. नं. 000709 C
Abhay Chhajed
Partner : M No.079662
Firm Regn. No.000709 C

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



अक्षय कुमार गुप्ता
भागीदार: एम. नं. 070744
फर्म पंजी. नं. 001874 C
Akshay Kumar Gupta
Partner: M.No. 070744
Firm Regn. No. 001874 C

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



के. च. एस. गुरु प्रसाद
भागीदार: एम. नं. 215652
फर्म पंजी. नं. 003089 S
K. Ch. S. Guru Prasad
Partner : M.No.215652
Firm Regn. No. 003089 S

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



के. जितेंद्र कुमार
भागीदार: एम. नं. 201825
फर्म पंजी. नं. 000511 S
K. Jitendra Kumar
Partner : M No. 201825
Firm Regn. No.000511 S

कृते रे एण्ड रे
सनदी लेखाकार
For Ray & Ray
Chartered Accountants



अभिजीत नियोगी
भागीदार: एम. नं. 61380
फर्म पंजी. नं. 301072 E
Abhijit Neogi
Partner : M No. 61380
Firm Regn. No. 301072 E

कृते चतुर्वेदी एण्ड शाह

सनदी लेखाकार

For Chaturvedi & Shah
Chartered Accountants

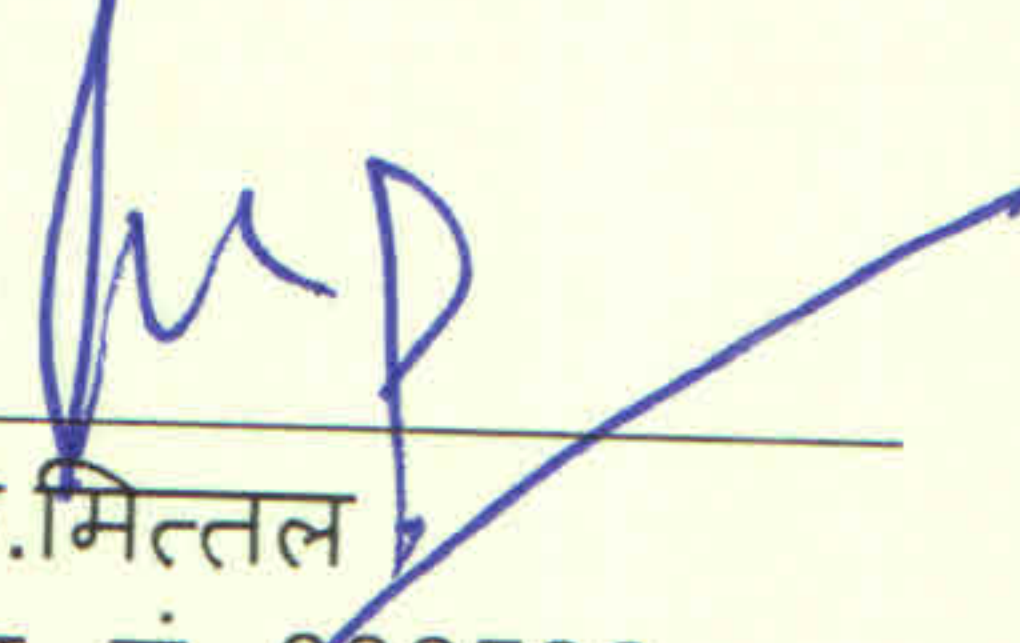


वितेश डी. गांधी
भागीदार: एम. नं. 110248
फर्म पंजी. नं. 101720 W
Vitesh D. Gandhi
Partner : M No. 110248
Firm Regn. No. 101720 W

कृते एस. के. मित्तल एंड कं.

सनदी लेखाकार

For S K Mittal & Co
Chartered Accountants



एस.के.मित्तल
भागीदार: एम. नं. 008506
फर्म पंजी. नं. 001135 N
S. K. Mittal
Partner : M No. 008506
Firm Regn. No. 001135 N

स्थान/Place : मुंबई/Mumbai
दिनांक/Date : मई/May 22, 2018

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, 2018, 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 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 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, 2018;
- (b) in the case of the Consolidated Profit and Loss Account, of the consolidated loss 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 34,54,752 crores as at March 31, 2018, total revenue of INR 2,65,100 crores, and net cash inflows amounting to INR 19,927 Crores for the year then ended;

(b) Audited accounts of 26 (twenty six) Subsidiaries, 8 (eight) Joint Ventures and 19 (nineteen) Associates audited by other auditors whose financial statements reflects the Group's share in total assets of INR 1,76,687 Crores as at March 31, 2018, the Group's share in total revenue of INR 44,143 Crores, the Group's share in net cash inflows amounting to INR 2,774 Crores, and the Group's share in profit from associates of INR 435 Crores for the year then ended;

(c). Accounts of 1(one) Subsidiary which has been reviewed by another auditor whose financial statements reflects the Group's share in total assets of INR 312 Crores as at March 31, 2018, the Group's share in total revenue of INR 15 Crores, the Group's share in net cash outflows amounting to INR 0.32 Crores, for the year then ended;



(d) Unaudited accounts of 1 (one) Subsidiary and 1 (one) Associates whose financial statements reflect total assets of INR 5,308 Crores as at March 31, 2018, total revenue of INR 188 Crores, net cash outflows amounting to INR 125 Crores and the Group's share in profit from associates of INR 3 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.

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 2018 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.

Emphasis of Matter

9. We draw attention to:
- Note no 3.2.1.1, regarding unamortized balance of INR 2,707.50 Crores on account of additional liabilities towards Gratuity; and
 - Note no 3.7, regarding recognition of Deferred Tax Assets of INR 2,461.40 Crores on provision for standard assets;



Varma & Varma

Chartered Accountants

Our Opinion is not modified in respect of the above stated matters.

For VARMA & VARMA
Chartered Accountants
FRN 004532S



P R Prasanna Varma
Partner
M. No.025854

Place: Mumbai

Date: 22nd May, 2018

