



SCHEDULE – 18: NOTES TO ACCOUNTS

18.1 Capital

1. Capital Ratio

(Amount in ₹ Crores)

AS PER BASEL II

Sr. No.	Items	As at 31 Mar 2014	As at 31 Mar 2013
(i)	Common Equity Tier 1 Capital Ratio (%)	N.A.	
(ii)	Tier 1 capital ratio (%)	9.98 %	9.49 %
(iii)	Tier 2 capital ratio (%)	2.98 %	3.43 %
(iv)	Total Capital Ratio (%)	12.96 %	12.92 %

AS PER BASEL III

Sr. No.	Items	As at 31 Mar 2014	As at 31 Mar 2013
(i)	Common Equity Tier 1 Capital Ratio (%)	9.59 %	
(ii)	Tier 1 capital ratio (%)	9.72 %	N.A.
(iii)	Tier 2 capital ratio (%)	2.72 %	
(iv)	Total Capital Ratio (%)	12.44 %	
(v)	Percentage of the Shareholding of Government of India	58.60 %	62.31%
(vi)	Number of Shares held by Government of India	43,74,59,825	42,62,41,140
(vii)	Amount of Equity Capital raised	10,031.65	3,004.07
(viii)	Amount of Additional Tier 1 capital raised of which		
	a) PNCPS:	-	-
	b) PDI:	-	-
(ix)	Amount of Tier 2 capital raised of which		
	a) Debt Capital instruments:	2000	-
	b) Preference Share Capital Instruments: {Perpetual Cumulative Preference Shares (PCPS)/Redeemable Non-cumulative Preference Shares (RNCPS)/Redeemable Cumulative Preference Shares (RCPS)}	-	-

2. Share Capital

- During the year, the Bank has allotted 1,12,18,685 shares of ₹ 10/- each for cash at a premium of ₹ 1772.74 per equity share aggregating to ₹ 2000 crores under Preferential Allotment to GOI. Out of the total subscription of ₹ 2000 crores received from GOI, an amount of ₹ 11.22 crores was transferred to Share Capital Account and ₹ 1988.78 crores to Share Premium Account.
- The Bank has also allotted 5,13,20,436 equity shares of ₹ 10/- each under Qualified Institutions Placement (QIP) for cash at a premium of ₹ 1,555/- per equity share aggregating to ₹ 8031.65 crores. Out of the total subscription received through QIP, an amount of ₹ 51.32 crores was transferred to Share Capital Account and ₹ 7980.33 crores to Share Premium Account.
- The Bank has kept in abeyance the allotment of 83,075 (Previous Year 83,075) Equity Shares of ₹ 10/- each issued as a part of Rights issue - 2008, since they are subject to title disputes or are subjudice.
- Expenses in relation to the issue of shares: ₹ 25.62 crores (Previous Year ₹ 3.73 crores) debited to Share Premium Account.

3. Innovative Perpetual Debt Instruments (IPDI)

A. Foreign

The details of IPDI issued in foreign currency, which qualify for Hybrid Tier I Capital and outstanding are as under:

₹ In crores

Particulars	Date of Issue	Tenor	Amount	Equivalent ₹ as on 31 Mar 2014	Equivalent ₹ as on 31 Mar 2013
Bond issued under the MTN Programme - 12th series*	15.02.2007	Perpetual Non call 10.25 years	USD 400 million	2396.60	2,171.40
Bond issued under the MTN Programme - 14th series#	26.06.2007	Perpetual Non call 10 yrs 1day	USD 225 million	1348.09	1,221.41
Total			USD 625 million	3,744.69	3,392.81

* If the Bank does not exercise call option by 15th May 2017, the interest rate will be raised and fixed rate will be converted to floating rate.

If the Bank does not exercise call option by 27th June 2017, the interest rate will be raised and fixed rate will be converted to floating rate.



These bonds are unsecured bonds and are listed in Singapore stock exchange.

B. Domestic

The details of outstanding domestic IPDs are as under:-

₹ In crores

SL. NO.	Nature of Bonds	Principal Amount	Date of Issue	Rate of Interest % p.a.
1	SBI NON CONVERTIBLE PERPETUAL BONDS 2009-10 (Tier I) Series I	1,000	14.08.2009	9.10
2	SBI NON CONVERTIBLE PERPETUAL BONDS 2009-10 (Tier I) Series II	1,000	27.01.2010	9.05
3	SBI NON CONVERTIBLE PERPETUAL BONDS 2007-08 SBIN Series VI (Tier I)	165	28.09.2007	10.25
TOTAL		2,165*		

*Includes ₹ 2,000 crores raised during the F.Y. 2009-10, of which ₹ 550 crores invested by SBI Employee Pension Fund, not reckoned for the purpose of Tier I Capital as per RBI instructions.

4. Subordinated Debts

The bonds are unsecured, long term, non-convertible and are redeemable at par.

The details of outstanding subordinate debts are as under:-

Sr. No.	Nature Of Bonds	Principal Amount	Date Of Issue /Date Of Redemption	Rate Of Interest % P.A.	Maturity Period In Months
1	SBI NON CONVERTIBLE (Private placement) Bonds 2005 (Lower Tier II)	3,283.00	05.12.2005 05.05.2015	7.45	113
2	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (Upper Tier II)	2,327.90	05.06.2006 05.06.2021	8.80	180
3	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (II) (Upper Tier II)	500.00	06.07.2006 06.07.2021	9.00	180
4	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (III) (Upper Tier II)	600.00	12.09.2006 12.09.2021	8.96	180
5	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (IV) (Upper Tier II)	615.00	13.09.2006 13.09.2021	8.97	180
6	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (V) (Upper Tier II)	1,500.00	15.09.2006 15.09.2021	8.98	180
7	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (VI) (Upper Tier II)	400.00	04.10.2006 04.10.2021	8.85	180
8	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (VII) (Upper Tier II)	1,000.00	16.10.2006 16.10.2021	8.88	180
9	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (VIII) (Upper Tier II)	1,000.00	17.02.2007 17.02.2022	9.37	180
10	SBI NON CONVERTIBLE (Private placement) Bonds 2006 (IX) (Lower Tier II)	1,500.00	28.03.2007 27.06.2016	9.85	111
11	SBI NON CONVERTIBLE (Private placement) Bonds 2007-08 (I) (Upper Tier II)	2,523.50	7.06.2007 7.06.2022	10.20	180
12	SBI NON CONVERTIBLE (Private placement) Bonds 2007-08 (II) (Upper Tier II)	3,500.00	12.09.2007 12.09.2022	10.10	180
13	SBI NON CONVERTIBLE (Private placement) Bonds 2008-09 (I) (Upper Tier II)	2,500.00	19.12.2008 19.12.2023	8.90	180
14	SBI NON CONVERTIBLE (Private placement) Bonds 2008-09(II) (Lower Tier II)	1,500.00	29.12.2008 29.06.2018	8.40	114



Sr. No.	Nature Of Bonds	Principal Amount	Date Of Issue /Date Of Redemption	Rate Of Interest % P.A.	Maturity Period In Months
15	SBI NON CONVERTIBLE (Private placement) Bonds 2008-09 (III) (Upper Tier II)	2,000.00	02.03.2009 02.03.2024	9.15	180
16	SBI NON CONVERTIBLE (Private placement) Bonds 2008-09 (IV) (Lower Tier II)	1,000.00	06.03.2009 06.06.2018	8.95	111
17	SBI NON CONVERTIBLE (Private placement) Bonds 2008-09 (V) (Upper Tier II)	1,000.00	06.03.2009 06.03.2024	9.15	180
18	SBI NON CONVERTIBLE (Private placement) Bonds 2005-06 SBS (Series I) (Lower Tier II)	200.00	09.03.2006 09.06.2015	8.15	111
19	SBI NON CONVERTIBLE (Private placement) Bonds 2006-07 SBS (Series II)(Lower Tier II)	225.00	30.03.2007 30.06.2016	9.80	111
20	SBI NON CONVERTIBLE (Private placement) Bonds 2004-05 SBIN (Series I) (Lower Tier II)	200.00	15.02.2005 15.05.2014	7.20	111
21	SBI NON CONVERTIBLE (Private placement) Bonds 2005-06 SBIN (Series II) (Lower Tier II)	140.00	29.09.2005 29.09.2015	7.45	120
22	SBI NON CONVERTIBLE (Private placement) Bonds 2005-06 SBIN (Series III) (Lower Tier II)	110.00	28.03.2006 28.03.2016	8.70	120
23	SBI NON CONVERTIBLE (Private placement) Bonds 2006-07 SBIN (Series IV) (Upper Tier II)	100.00	29.12.2006 29.12.2021	8.95	180
24	SBI NON CONVERTIBLE (Private placement) Bonds 2006-07 SBIN (Series V) (Upper Tier II)	200.00	22.03.2007 22.03.2022	10.25	180
25	SBI NON CONVERTIBLE (Private placement) Bonds 2008-09 SBIN (SERIES VII) (Upper Tier II)	250.00	24.03.2009 24.03.2024	9.17	180
26	SBI Public Issue of Lower Tier II Non-Convertible Bonds 2010 (Series I)	133.08	04.11.2010 04.11.2020	9.25	120
27	SBI Public Issue of Lower Tier II Non- Convertible Bonds 2010 (Series II)	866.92	04.11.2010 04.11.2025	9.50	180
28	SBI Public Issue of Lower Tier II Non- Convertible Bonds 2011 Retail (Series 3)	559.40	16.03.2011 16.03.2021	9.75	120
29	SBI Public Issue of Lower Tier II Non- Convertible Bonds 2011 Non Retail (Series 3)	171.68	16.03.2011 16.03.2021	9.30	120
30	SBI Public Issue of Lower Tier II Non- Convertible Bonds 2011 Retail (Series 4)	3,937.60	16.03.2011 16.03.2026	9.95	180
31	SBI Public Issue of Lower Tier II Non- Convertible Bonds 2011 Non Retail (Series 4)	828.32	16.03.2011 16.03.2026	9.45	180
32.	SBI NON CONVERTIBLE (Private Placement) Bonds 2013-14 (Tier II)	2000.00	02.01.2014 02.01.2024	9.69	120
TOTAL		36,671.40			

**18.2. Investments**

1. The Details of investments and the movement of provisions held towards depreciation on investments of the Bank are given below:

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
1. Value of Investments		
i) Gross value of Investments		
(a) In India	3,74,699.15	3,30,718.38
(b) Outside India	25,156.85	21,257.57
ii) Provisions for Depreciation		
(a) In India	650.60	725.47
(b) Outside India	897.21	372.98
iii) Net value of Investments		
(a) In India	3,74,048.55	3,29,992.91
(b) Outside India	24,259.64	20,884.59
2. Movement of provisions held towards depreciation on investments		
i) Opening Balance	1,098.45	2,139.32
ii) Add: Provisions made during the year	1,337.20	303.44
iii) Less: Foreign Exchange revaluation adjustment / utilisation during the year	113.89	79.58
iv) Less: Write back of excess provision during the year.	773.95	1,264.73
v) Closing balance	1,547.81	1,098.45

Notes:

- a. Investments in Government Securities is net of ₹ 25,852 crores and ₹ 28,250 crores utilised under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) with RBI respectively.
- b. Securities amounting to ₹ 6,587.88 crores are kept as margin with Clearing Corporation of India Limited/NSCCL/MCX/ USEIL towards Securities Settlement.
- c. In compliance to Securities Contract Regulations (Amendment) Rules, 2010 on public share holding, State

Bank of Mysore (SBM) has issued 12,13,630 equity shares to Qualified Institutional Buyers through Institutional Placement Programme (IPP). Consequently stake of SBI in SBM has come down from 92.33% to 90% and public shareholding has increased to 10%.

- d. During the year the Bank infused additional capital in SBI General Insurance Company Limited ₹ 185.00 crores and State Bank of Patiala ₹ 462.00 crores, without any change in stake.
- e. SBI has incorporated a wholly owned subsidiary, State Bank of India (Botswana) Ltd. and invested capital equivalent to ₹ 47.37 crores.
- f. SBI has acquired an additional stake of 23% in its subsidiary, PT Bank SBI Indonesia, at ₹ 258 crores, after which the stake of SBI is increased to 99%. Further, SBI has infused additional amount of ₹ 157.27 crores in proportion to its share in PT Bank SBI Indonesia.
- g. SBI has acquired an additional stake of 2.96% in its subsidiary, SBI (Mauritius) Ltd., by investing ₹ 24.42 crores, after which the stake of SBI is increased to 96.36%.
- h. During the year the Bank has infused additional capital, without any change in stake, in the following RRBs:-

₹ In crores

Regional Rural Banks	Amount
Puravanchal Gramin Bank	11.73
Chhattisgarh Rajya Gramin Bank	31.56
Mizoram Rural Bank	6.53
Total	49.82

- i. The Bank exited from two RRBs as per details given below

₹ In crores

Name of Entity	Amount
Krishna Grameena Bank	6.92
Parvatiya Gramin Bank	1.32
Total	8.24



2. Repo Transactions (including Liquidity Adjustment Facility (LAF))

The details of securities sold and purchased under repos and reverse repos including LAF during the year are given below:

₹ In crores

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Balance as on 31st March 2014
Securities sold under repos				
i. Government Securities	- (-)	60,000.00 (44,000.00)	19,082.92 (15,910.39)	54,102.00 (42,000.00)
ii. Corporate Debt Securities	442.80 (-)	2,166.74 (135.30)	496.99 (33.36)	795.82 (-)
Securities purchased under reverse repos				
i. Government Securities	5.77 (9.02)	6,278.73 (12057.64)	278.22 (499.47)	- (20.65)
ii. Corporate Debt securities	- (-)	- (-)	- (-)	- (-)

(Figures in brackets are for Previous Year)

3. Non-SLR Investment Portfolio

a) Issuer composition of Non SLR Investments

The issuer composition of Non-SLR investments of the Bank is given below:

₹ In crores

Sl. No.	Issuer	Amount	Extent of Private Placement	Extent of "Below Investment Grade" Securities *	Extent of "Unrated" Securities *	Extent of "Unlisted" Securities *
(i)	PSUs	12,884.38 (12063.43)	2,381.60 (825.29)	571.62 (-)	714.96 (-)	829.48 (19.45)
(ii)	FIs	11,488.61 (10803.72)	2,377.99 (2868.58)	- (-)	- (-)	200.00 (216.20)
(iii)	Banks	19,883.51 (21522.63)	5,515.59 (10386.50)	27.41 (-)	- (-)	192.10 (205.54)
(iv)	Private Corporates	20,300.37 (13558.81)	4,862.92 (5327.61)	184.09 (1,345.57)	1,143.91 (504.11)	126.37 (118.62)
(v)	Subsidiaries / Joint Ventures **	8,340.29 (7,070.77)	- (-)	- (-)	- (-)	- (-)
(vi)	Others	18,760.03 (17696.21)	- (-)	119.34 (-)	499.09 (393.23)	375.77 (195.14)
(vii)	Provision held towards depreciation	1547.81 (1,098.29)	- (-)	- (-)	337.13 (262.15)	- (-)
Total		90,109.38 (81617.28)	15,138.10 (19407.98)	902.46 (1,345.57)	2,020.83 (635.19)	1,723.72 (754.95)

(Figures in brackets are for Previous Year)

* Investment in Equity, Equity Oriented Mutual Funds, Venture Capital, Rated Assets Backed Securities, Central Government Securities and ARCIL are not segregated under these categories as these are exempt from rating/listing guidelines.

** Investments in Subsidiaries/Joint Ventures have not been segregated into various categories as these are not covered under relevant RBI Guidelines.

Others include an amount of ₹ 11,321.50 crores (Previous Year ₹ 13,330.20) under RIDF Scheme of NABARD and ₹ 1,141.60 crores (Previous Year ₹ 552.22) under Urban & Rural Housing Fund of NABARD.

**b) Non Performing Non-SLR Investments**

₹ In crores

Particulars	Current Year	Previous Year
Opening Balance	1042.49	860.50
Additions during the year	206.11	311.11
Reductions during the year	313.37	129.12
Closing balance	935.23	1042.49
Total provisions held	892.29	894.86

c) Sales And Transfers Of Securities To/From HTM Category

The value of sales and transfers of securities to/from HTM Category does not exceed 5% of the book value of investment held in HTM category at the beginning of the year.

18.3 Derivatives**A. Forward Rate Agreements / Interest Rate Swaps**

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
i) The notional principal of swap agreements	1,53,015.27	1,60,156.94#
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	2,830.11	4,078.75
iii) Collateral required by the Bank upon entering into swaps	Nil	Nil
iv) Concentration of credit risk arising from the swaps	Not significant	Not significant
v) The fair value of the swap book	987.06	2,318.49

IRS/FRA amounting to ₹ 10,338.05 crores entered with the Bank's own foreign offices are not shown here as they are for hedging of FCNB corpus and hence not marked to market.

B. Exchange Traded Interest Rate Derivatives

₹ In crores

Sr. No.	Particulars	Current Year	Previous Year
1	Notional principal amount of exchange traded interest rate derivatives undertaken during the year		
A	Interest Rate Futures	Nil	Nil
B	10 Year Government of India Security	888.23	Nil
2	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31st March 2014		
A	Interest Rate Futures	Nil	Nil
B	10 Year Government of India Security	2.00	Nil
3	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective"	N.A.	N.A.
4	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective".	N.A.	N.A.



C. Credit Default Swaps

₹ In crores

Sr. No.	Particulars	Current Year		Previous Year	
		As Protection Buyer	As Protection Seller	As Protection Buyer	As Protection Seller
1.	No. of transactions during the year				
	a) of which transactions that are/may be physically settled	Nil	Nil	Nil	3
	b) cash settled	Nil	Nil	Nil	Nil
2.	Amount of protection bought / sold during the year				
	a) of which transactions which are/ may be physically settled	Nil	Nil	Nil	Nil
	b) cash settled	Nil	Nil	Nil	Nil
3.	No. of transactions where credit event payment was received / made during the year				
	a) pertaining to current year's transactions	Nil	Nil	Nil	3
	b) pertaining to previous year(s)' transactions	Nil	Nil	Nil	Nil
4.	Net income/ profit (expenditure/ loss) in respect of CDS transactions during year-to-date:				
	a) premium paid / received	Nil	0.83	Nil	13.19
	b) Credit event payments:				
	• made (net of the value of assets realised)	Nil	Nil	Nil	108.57
	• received (net of value of deliverable obligation)	Nil	Nil	Nil	Nil
5.	Outstanding transactions as on March 31:				
	a) No. of Transactions	Nil	Nil	Nil	1
	b) Amount of protection	Nil	Nil	Nil	54.29
6.	Highest level of outstanding transactions during the year:				
	a) No. of Transactions (as on 1st April)	Nil	1	Nil	13
	b) Amount of protection (as on 1st April)	Nil	59.39	Nil	546.90

D. Disclosures on Risk Exposure in Derivatives

(A) Qualitative Disclosure

- i. The Bank currently deals in over-the-counter (OTC) interest rate and currency derivatives as also in Interest Rate. Interest Rate Derivatives dealt by the Bank are rupee interest rate swaps, foreign currency interest rate swaps and forward rate agreements. Currency derivatives dealt by the Bank are currency swaps, rupee dollar options and cross-currency options. The products are offered to the Bank's customers to hedge their exposures and the Bank enters into derivatives contracts to cover such exposures. Derivatives are used by the Bank both for trading as well as hedging on balance sheet items. The Bank also deals in a mix of these generic instruments. The Bank has done Option deals and Structured Products with customers.
- ii. Derivative transactions carry market risk i.e. the probable loss the Bank may incur as a result of adverse movements in interest rates/exchange rates/equity prices and credit risk i.e. the probable

loss the Bank may incur if the counterparties fail to meet their obligations. The Bank's "Policy for Derivatives" approved by the Board prescribes the market risk parameters (cut-loss triggers, open position limits, duration, modified duration, PV01 etc.) as well as customer eligibility criteria (credit rating, tenure of relationship, limits and customer appropriateness and suitability of policy (CAS) etc.) for entering into derivative transactions. Credit risk is controlled by entering into derivative transactions only with counterparties satisfying the criteria prescribed in the Policy. Appropriate limits are set for the counterparties taking into account their ability to honour obligations and the Bank enters into ISDA agreement with each counterparty.

- iii. The Asset Liability Management Committee (ALCO) of the Bank oversees efficient management of these risks. The Bank's Market Risk Management Department (MRMD) identifies, measures, monitors market risk associated with derivative transactions, assists ALCO in controlling and managing these risks and reports compliance



with policy prescriptions to the Risk Management Committee of the Board (RMCB) at regular intervals.

- iv. The accounting policy for derivatives has been drawn-up in accordance with RBI guidelines, the details of which are presented under Schedule 17: Significant Accounting Policies (SAP) for the financial year 2013-14.

v. Interest Rate Swaps are mainly used at Foreign Offices for hedging of the assets and liabilities.

vi. Apart from hedging swaps, swaps at Foreign Offices consist of back to back swaps done at our Foreign Offices which are done mainly for hedging of FCNR deposits at Global Markets, Kolkata.

vii. Majority of the swaps were done with First class counterparty banks.

(B) Quantitative Disclosures

₹ In crores

Particulars	Currency Derivatives		Interest Rate Derivatives	
	Current Year	Previous Year	Current Year	Previous Year
(I) Derivatives				
(Notional Principal Amount)				
(a) For hedging	9,989.90 [Ⓐ]	8,325.96	60,742.05 [#]	64,928.34
(b) For trading*	4,85,254.19	3,55,442.49	92,273.20	95,228.60 [#]
(II) Marked to Market Positions				
(a) Asset	14,876.90	1,341.90	482.13	54.67
(b) Liability	18,761.24	Nil	256.11	Nil
(III) Credit Exposure	27,578.81	7,592.19	3,907.81	5,218.35
(IV) Likely impact of one percentage change in interest rate (100* PV01)				
(a) on hedging derivatives	0.05	(52.68)	(128.55)	(917.87)
(b) on trading derivatives	10.53	10.95	1.02	(196.69)
(V) Maximum and Minimum of 100* PV 01 observed during the year				
(a) on hedging -Maximum	0.08	Nil	49.11	(159.70)
- Minimum	0	(77.68)	(130.06)	(1,126.65)
(b) on trading – Maximum	16.49	15.22	59	885.78
- Minimum	(1.70)	(5.29)	(22.16)	(1,108.33)

Ⓐ The swaps amounting to ₹ 8,040.52 crores (Previous Year ₹ 6,574.73 crores) entered with the Bank's own foreign offices are not shown here as they are for hedging of FCNB corpus and hence not marked to market.

IRS/FRA amounting to ₹ 12,926.36 crores (Previous Year ₹ 10,338.05 crores) entered with the Bank's own Foreign offices are not shown here as they are for hedging of FCNB corpus and hence not marked to market.

* The forward contract deals with our own Foreign Offices are not included. Currency Derivatives - ₹ 531.58 crores (Previous Year ₹ 4349.04 crores) and Interest Rate Derivatives - ₹ 53.99 crores (Previous Year ₹ 167.53 crores)

1. The outstanding notional amount of derivatives done between Global Markets Unit and International Banking Group as on 31st March 2014 amounted to ₹ 21,552.45 crores (Previous Year ₹ 21,429.35 crores) and the derivatives done between SBI Foreign Offices as on 31st March 2014 amounted to ₹ 29,754.93 crores (Previous Year ₹ 35,082.63 crores).

2. The outstanding notional amount of interest rate derivatives which are not marked to market where the underlying Assets/ Liabilities are not marked to market as on 31st March 2014 amounted to ₹ 74,877.22 crores (₹ 80,144.28 crores).

3. Credit Default Swap : Outstanding as on 31st March 2014 amounted to ₹ NIL (Previous Year ₹ 54.29 crores).



18.4 Asset Quality

a) Non-Performing Asset

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
i) Net NPAs to Net Advances (%)	2.57%	2.10%
ii) Movement of NPAs (Gross)		
(a) Opening balance	51,189.39	39,676.46
(b) Additions (Fresh NPAs) during the year	41,216.67	31,993.35
Sub-total (I)	92,406.06	71,669.81
Less:		
(c) Reductions due to upgradations during the year	10,183.27	10,119.35
(d) Reductions due to recoveries (Excluding recoveries made from upgraded accounts)	7,734.94	4,766.30
(e) Technical/ Prudential Write-offs	Nil	Nil
(f) Reductions due to Write-offs during the year	12,882.50	5594.77
Sub-total (II)	30,800.71	20,480.42
(g) Closing balance (I-II)	61,605.35	51,189.39
iii) Movement of Net NPAs		
(a) Opening balance	21,956.48	15,818.85
(b) Additions during the year	22,293.57	17,825.95
(c) Reductions during the year	13,153.98	11,688.32
(d) Closing balance	31,096.07	21,956.48
iv) Movement of provisions for NPAs		
(a) Opening balance	29,232.91	23,857.61
(b) Provisions made during the year	18,923.10	14,167.40
(c) Write-off / write-back of excess provisions	17,646.73	8,792.10
(d) Closing balance	30,509.28	29,232.91

Opening and closing balances provision for NPAs include ECGC claims received and held pending adjustment of ₹ 71.12 crores (Previous Year ₹ 46.32 crores) and ₹ 69.30 crores (Previous Year ₹ 71.12 crores) respectively.



b) Restructured Accounts

₹ In crores

Type of Restructuring		Under CDR Mechanism (1)						Under SME Debt Restructuring Mechanism (2)					
Sl. No.	Asset Classification Particulars	Standard	Sub Standard	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss	Total		
1	Restructured Accounts as on April 1, 2013 (Opening position)	No. of Borrowers	105 (71)	10 (8)	30 (15)	0 (1)	145 (95)	326 (1642)	51 (146)	127 (226)	3 (1)	507 (2015)	
		Amount outstanding	14914.32 (7112.82)	586.44 (340.09)	2119.60 (946.81)	0.00 (0.18)	17620.36 (8399.90)	2064.70 (2378.45)	450.71 (211.12)	522.11 (64.42)	0.34 (-)	3037.86 (2653.99)	
		Provision thereon	1384.65 (794.41)	39.78 (17.02)	82.90 (141.36)	0.00 (-)	1507.33 (952.79)	106.89 (37.03)	66.20 (16.54)	52.92 (8.23)	0.00 (-)	226.01 (61.80)	
		No. of Borrowers	48 (66)	6 (4)	7 (14)	1 (-)	62 (84)	254 (201)	24 (33)	62 (31)	0 (1)	340 (266)	
2	Fresh Restructuring during the current FY *	Amount outstanding	11870.52 (9314.95)	691.25 (252.81)	867.57 (1539.78)	57.43 (-)	13486.76 (11107.54)	2656.82 (2500.14)	207.91 (324.97)	703.13 (293.95)	48.70 (0.04)	3616.55 (3119.10)	
		Provision thereon	944.21 (868.52)	26.58 (34.79)	286.56 (487.89)	57.43 (-)	1314.78 (1391.20)	75.20 (81.43)	19.05 (27.87)	98.34 (11.48)	-2.74 (-)	189.85 (120.78)	
		No. of Borrowers	1 (3)	2 (-1)	-3 (-2)	0 (-)	0 (-)	6 (9)	-4 (-8)	-2 (-1)	0 (-)	0 (-)	
		Amount outstanding	126.84 (155.69)	17.59 (-48.66)	-144.43 (-107.03)	0.00 (-)	0.00 (-)	50.25 (12.29)	-50.25 (-12.29)	0.00 (-)	0.00 (-)	0.00 (-)	
3	Upgradation to restructured standard category during current FY	Provision thereon	0.58 (67.39)	0.00 (-11.30)	-0.58 (-56.09)	0.00 (-)	0.00 (-)	6.08 (0.01)	-6.08 (-0.01)	0.00 (-)	0.00 (-)	0.00 (-)	
		No. of Borrowers	-9 (-15)				-9 (-15)	-10 (-1357)				-10 (-1357)	
		Amount outstanding	-388.15 (-738.64)				-388.15 (-738.64)	-35.76 (-221.12)				-35.76 (-221.12)	
		Provision thereon	-15.61 (-75.71)				-15.61 (-75.71)	-0.02 (-1.50)				-0.02 (-1.50)	
5	Downgradations of restructured accounts during current FY	No. of Borrowers	-26 (-10)	0 (2)	24 (8)	2 (-)	0 (-)	-23 (-41)	-4 (9)	20 (28)	7 (4)	0 (-)	
		Amount outstanding	-4830.76 (-813.81)	-441.39 (81.56)	4829.84 (732.25)	442.30 (-)	0.00 (-)	-418.37 (-315.50)	-73.51 (180.06)	454.73 (135.02)	37.15 (0.42)	0.00 (-)	
		Provision thereon	-353.14 (-47.55)	-0.70 (4.47)	353.74 (43.08)	0.10 (-)	0.00 (-)	-49.08 (-4.02)	-8.99 (-2.22)	55.28 (6.24)	2.78 (-)	0.00 (-)	
		No. of Borrowers	9 (10)	5 (3)	18 (5)	0 (1)	32 (19)	70 (78)	32 (111)	129 (151)	1 (1)	232 (341)	
6	Write-offs of restructured accounts during current FY **	Amount outstanding	558.17 (116.69)	17.79 (39.36)	2606.14 (992.21)	0.00 (0.18)	3182.10 (1148.44)	483.36 (1788.61)	283.16 (161.13)	470.01 (-31.97)	0.02 (0.05)	1236.55 (1917.82)	
		Provision thereon	324.37 (222.41)	5.31 (5.20)	201.89 (533.34)	57.43 (-)	589.00 (760.95)	21.86 (4.62)	47.29 (-24.74)	36.66 (-27.36)	0.00 (-)	105.81 (-47.48)	
		No. of Borrowers	110 (105)	13 (10)	40 (30)	3 (-)	166 (145)	483 (376)	35 (69)	78 (133)	9 (5)	605 (583)	
		Amount outstanding	21134.61 (14914.32)	836.09 (586.44)	5066.44 (2199.60)	499.74 (-)	27536.88 (17620.36)	3834.26 (2565.65)	251.71 (542.73)	1209.96 (525.36)	86.17 (0.41)	5382.10 (3634.15)	
7	TOTAL Restructured Accounts as on 31st March, 2014 (Closing Position)#	Provision thereon	1636.32 (1384.65)	60.34 (39.78)	520.73 (82.90)	0.10 (-)	2217.49 (1507.33)	117.21 (108.33)	22.89 (66.92)	169.89 (53.31)	0.04 (-)	310.03 (228.56)	



Sl. No.	Type of Restructuring		Others						TOTAL			
	Asset Classification	Particulars	Standard	Sub Standard	Doubtful	Loss	Total	Standard	Sub Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1, 2013 (Opening position)	No. of Borrowers	5213 (6112)	676 (511)	411 (255)	49 (4)	6349 (6882)	5644 (7825)	737 (665)	568 (496)	52 (6)	7001 (8992)
		Amount outstanding	15248.66 (11909.60)	1914.98 (1105.01)	5236.83 (3998.70)	52.17 (65.91)	22452.63 (17079.21)	32227.68 (21400.87)	2952.13 (1656.22)	7878.54 (5009.93)	52.51 (66.09)	43110.86 (28133.10)
		Provision thereon	487.40 (204.30)	81.20 (88.36)	742.99 (660.32)	3.55 (60.05)	1315.13 (1013.03)	1978.94 (1035.74)	187.17 (121.92)	878.81 (809.91)	3.55 (60.05)	3048.47 (2027.62)
2	Fresh Restructuring during the current FY *	No. of Borrowers	772 (2211)	367 (134)	487 (88)	19 (6)	1645 (2439)	1074 (2478)	397 (171)	556 (133)	20 (7)	2047 (2789)
		Amount outstanding	10856.98 (9609.83)	834.37 (867.38)	1270.04 (715.12)	64.97 (0.18)	13026.36 (11192.50)	25384.32 (21424.92)	1733.52 (1445.16)	2840.73 (2548.85)	171.10 (0.22)	30129.68 (25419.14)
		Provision thereon	464.39 (280.31)	168.76 (41.17)	378.88 (55.88)	1.17 (0.07)	1013.20 (377.43)	1483.81 (1230.26)	214.39 (103.83)	763.78 (555.25)	55.86 (0.07)	2517.83 (1889.41)
3	Upgradation to restructured standard category during current FY	No. of Borrowers	66 (147)	57 (140)	9 (7)	0 (1)	0 (1)	73 (159)	59 (149)	14 (10)	0 (1)	(1) (1)
		Amount outstanding	288.60 (192.50)	13.18 (177.37)	275.43 (15.13)	0.00 (1)	0.00 (1)	465.69 (360.48)	45.84 (238.32)	419.86 (122.16)	0.00 (1)	(1) (1)
		Provision thereon	26.23 (94.07)	0.15 (92.04)	26.08 (2.03)	0.00 (1)	0.00 (1)	32.89 (161.47)	6.23 (103.35)	26.66 (58.12)	0.00 (1)	(1) (1)
4	Restructured Standard Advances which ceases to attract higher provisioning and/ or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of Borrowers	74 (2480)	57 (140)	9 (7)	0 (1)	74 (2480)	93 (3852)	59 (149)	14 (10)	0 (1)	(1) (1)
		Amount outstanding	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)	3604.84 (2661.65)
		Provision thereon	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)	5.48 (17.08)
5	Downgradations of restructured accounts during current FY	No. of Borrowers	950 (550)	583 (322)	351 (189)	16 (39)	0 (1)	999 (601)	579 (333)	395 (225)	25 (43)	(1) (1)
		Amount outstanding	2986.85 (1622.59)	188.84 (639.80)	2616.86 (982.23)	181.15 (0.55)	0.00 (1)	8235.98 (2751.90)	326.06 (901.42)	7901.43 (1849.50)	660.61 (0.97)	0.00 (1)
		Provision thereon	88.79 (64.85)	28.57 (32.52)	108.72 (32.33)	8.65 (1)	0.00 (1)	491.01 (116.42)	38.26 (34.77)	517.75 (81.65)	11.53 (1)	0.00 (1)
6	Write-offs of restructured accounts during current FY**	No. of Borrowers	1256 (277)	481 (169)	490 (120)	7 (2)	2234 (568)	1335 (365)	518 (283)	637 (276)	8 (4)	2498 (928)
		Amount outstanding	1720.94 (2679.99)	1096.01 (611.86)	2906.05 (447.34)	132.48 (14.54)	5855.47 (3753.72)	2762.47 (4585.29)	1396.96 (812.35)	5982.19 (1407.58)	132.50 (14.77)	10274.12 (6819.98)
		Provision thereon	195.76 (10.79)	47.36 (10.47)	946.72 (3.90)	9.69 (56.58)	1199.54 (60.80)	541.99 (237.82)	99.96 (30.01)	1185.28 (509.88)	67.12 (56.58)	1894.36 (774.27)
7	TOTAL Restructured Accounts as on 31st March, 2014 (Closing Position)#	No. of Borrowers	3771 (5163)	1088 (658)	750 (405)	77 (47)	5686 (6273)	4364 (5644)	1136 (737)	868 (568)	89 (52)	6457 (7001)
		Amount outstanding	18081.62 (14747.70)	1829.00 (1822.96)	5942.25 (5233.58)	165.81 (52.10)	26018.68 (21856.34)	43050.49 (32227.67)	2916.79 (2952.13)	12218.66 (7878.54)	751.72 (52.51)	58937.66 (43110.85)
		Provision thereon	688.00 (485.96)	173.87 (80.48)	257.78 (742.60)	3.66 (3.54)	1123.32 (1312.58)	2441.53 (1978.94)	257.10 (187.18)	948.40 (878.81)	3.81 (3.54)	3650.84 (3048.47)

* Fresh additions includes increase of outstanding balance of existing accounts amounting to ₹ 4,288.95 crores

** The Write off includes decrease due to closure of accounts amounting to Rs. 2688.68 crores and decrease in outstanding balance of existing accounts amounting to ₹ 1812.59 crores.

Excluding the standard restructured advances which do not attract higher provisioning or risk weight (if any).

**c) Details of the stock of Technical Write-offs and the recoveries made thereon:**

₹ In crores

Particulars	Current Year	Previous Year
i) Opening balance of Technical/Prudential written-off accounts as at April 1	Nil	Nil
ii) Add: Technical/Prudential write-offs	Nil	Nil
iii) Sub-total (A)	Nil	Nil
iv) Less: Recoveries made from previously technical/prudential written-off accounts during the year (B)	Nil	Nil
v) Closing balance as at March 31 (A-B)	Nil	Nil

d) Details of financial assets sold to Securitisation Company (SC) / Reconstruction Company (RC) for Asset Reconstruction

₹ In crores

Particulars	Current Year	Previous Year
i) No. of Accounts	255	2
ii) Aggregate value (net of provisions) of accounts sold to SC/RC	1,487.52	6.42
iii) Aggregate consideration*	1,604.92	27.11
iv) Additional consideration realized in respect of accounts transferred in earlier years	-	Nil
v) Aggregate gain / (loss) over net book value	117.40	20.69

* Recognised and disclosed at lower of Net book value/sale price as per RBI Guidelines.

e) Details of non-performing financial assets purchased

₹ In crores

Particulars	Current Year	Previous Year
1) (a) No. of Accounts purchased during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil
2) (a) Of these, number of accounts restructured during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil

f) Details of non-performing financial assets sold

₹ In crores

Particulars	Current Year	Previous Year
1) No. of Accounts sold	236	6
2) Aggregate outstanding	3,725.90	139.96
3) Aggregate consideration received	1,672.98	45.84

g) Provision on Standard Assets

The Provision on Standard Assets held by the Bank as under:

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
Provision towards Standard Assets	6,575.43	5,289.58

h) Business Ratios

Particulars	Current Year	Previous Year
i. Interest Income as a percentage to Working Funds	7.57%	7.76%
ii. Non-interest income as a percentage to Working Funds	1.03%	1.04%
iii. Operating Profit as a percentage to Working Funds	1.78%	2.01%
iv. Return on Assets*	0.65%	0.97%
v. Business (Deposits plus advances) per employee (₹ in thousands)	106,375	94,389
vi. Profit per employee (₹ in thousands)	485.47	645.47

* (on net-assets basis)


i) Asset Liability Management: Maturity pattern of certain items of assets and liabilities as at 31st March 2014

₹ In crores

	Day 1	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	TOTAL
Deposits	79,195.61	31,805.04	25,840.40	26,421.54	88,873.24	1,04,788.39	1,88,422.31	2,92,956.16	1,48,532.17	4,07,573.64	13,94,408.50
	(44,414.22)	(22,481.11)	(22,533.15)	(24,714.75)	(49,399.81)	(88,325.85)	(1,80,116.77)	(3,36,798.25)	2,24,094.01	(2,09,861.65)	(12,02,739.57)
Advances	1,29,202.87	7,791.49	13,189.69	7,071.30	41,231.15	42,066.55	68,304.91	5,60,674.65	1,30,009.54	2,10,286.57	12,09,828.72
	(97,506.39)	(7,028.89)	(12,010.67)	(8,620.34)	(47,231.34)	(43,115.51)	(41,753.47)	(5,02,134.63)	(1,15,593.50)	(1,70,621.81)	(10,45,616.55)
Investments	32.25	219.80	138.78	7,352.95	15,281.72	5,819.14	17,899.02	52,850.51	81,912.51	2,16,801.51	3,98,308.19
	(75.99)	(1,557.83)	(5,113.23)	(4,313.41)	(2,33,00.54)	(15,973.75)	(11,899.25)	(47,102.13)	(65,736.09)	(1,75,805.28)	(3,50,877.50)
Borrowings	1,573.81	12,195.05	5,335.61	5,803.97	33,984.67	21,323.88	27,551.44	23,574.78	19,617.62	32,170.05	1,83,130.88
	(551.20)	(16,955.79)	(4,919.76)	(10,590.92)	(37,664.35)	(18,006.82)	(7,552.70)	(27,666.70)	(8,861.34)	(36,413.13)	(1,69,182.71)
Foreign Currency Assets	91,335.00	1,933.42	2,066.88	4,470.93	15,883.68	11,369.86	17,891.03	44,682.10	40,029.55	37,356.73	2,67,019.18
	(67,049.33)	(2,832.10)	(1,983.54)	(6,157.46)	(20,768.87)	(20,961.05)	(9,990.15)	(31,414.02)	(28,714.05)	(32,775.41)	(2,22,645.98)
Foreign Currency Liabilities	27,799.57	13,613.23	3,956.01	9,385.88	47,340.79	20,377.06	46,983.85	49,453.36	32,992.43	2,274.94	254,177.12
	(19,192.37)	(12,784.44)	(6,168.25)	(14,976.21)	(35,035.92)	(24,080.39)	(24,246.59)	(40,932.48)	(16,320.81)	(4,719.07)	(1,98,456.53)

(Figures in brackets are as at 31st March 2013)

18.5 Exposures

The Bank is lending to sectors, which are sensitive to asset price fluctuations.

a) Real Estate Sector

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
(I) Direct exposure		
i) Residential Mortgages	1,56,145.83	1,50,165.96
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	1,56,145.83	1,50,165.96
Of which (i) Individual housing loans up to Rs. 25 lakh in Metropolitan centres (Population < 10 lacs) and Rs 15 lakh in other centres for purchase/construction of dwelling unit per family.	69,270.80	87,575.87
ii) Commercial Real Estate		
Lending secured by mortgages on Commercial Real Estates (office building, retail space, multi purpose commercial premises, multi family residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc. Exposures would also include non fund based (NFB) limits.	17,503.82	14,973.37
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures:	714.76	607.12
a) Residential	453.77	601.48
b) Commercial Real Estate	260.99	5.64
(II) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	16,799.84	7,839.94
Total	1,91,164.25	1,73,586.39



b) Capital Market

₹ In crores

Particulars	As at	As at
	31 Mar 2014	31 Mar 2013
1) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	3,087.02	4,193.49
2) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds.	5.04	5.36
3) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security.	3,191.71	2,008.06
4) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/convertible debentures/ units of equity oriented mutual funds does not fully cover the advances.	133.55	48.83
5) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	20.47	43.35
6) Loans sanctioned to corporates against the security of shares/bonds/debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources.	420.77	53.79
7) Bridge loans to companies against expected equity flows/issues.	Nil	Nil
8) Underwriting commitments taken up by the Banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds.	Nil	Nil
9) Financing to stockbrokers for margin trading.	0.41	Nil
10) Exposures to Venture Capital Funds (both registered and unregistered)	1,172.90	856.47
Total Exposure to Capital Market	8,031.87	7,209.35

c) Risk Category wise Country Exposure

As per the extant RBI guidelines, the country exposure of the Bank is categorised into various risk categories listed in the following table. The country exposure (net funded) of the Bank for any country does not exceed 1% of its total assets except on UK, hence provision for the country exposure on UK has been made.

₹ In crores

Risk Category	Exposure (Net)		Provision held	
	As at 31 Mar 2014	As at 31 Mar 2013	As at 31 Mar 2014	As at 31 Mar 2013
Insignificant	Nil	1.90	Nil	Nil
Very Low	38,952.89	53,957.63	Nil	27.11
Low	240.69	11.61	Nil	Nil
Low Medium	31,557.39	29,021.20	21.98	26.25
Medium	3,413.04	4,110.40	Nil	Nil
High	1,085.53	374.30	Nil	Nil
Very High	1,938.39	2,224.39	Nil	Nil
Restricted	2,397.95	2,323.03	Nil	Nil
Off-Credit	Nil	Nil	Nil	Nil
Total	79,585.88	92,024.46	21.98	53.36



d) Single Borrower and Group Borrower exposure limits exceeded by the Bank

The Bank had taken single borrower exposure in excess of prudential limit in the cases given below:

₹ In crores

Name of the Borrower	Exposure Ceiling	Exposure Sanctioned (Peak Level)	Period during which limit exceeded	Outstanding as on 31 Mar 2014
Indian Oil Corporation Limited (IOCL)	32,340.61 35,342.10	46,010.17	April 2013 to Dec 2013 March 2014	40,778.49
Bharat Heavy Electricals Limited (BHEL)	19,404.37 21,205.26	21,003.38	December 2013	18,890.18
Reliance Industries Limited	19,404.37 21,205.26	20,470.02	December 2013	15,047.32

Note :-

Exposure on IOCL, BHEL and RIL are within the discretion given to Banks by RBI (additional 5% of capital funds, over prudential limits)

RBI has exempted exposure of USD 1000 mio (₹ 5991.50 crores) taken on IOCL from prudential exposure norms, which is included in above exposure. After excluding . ₹ 5991.50 crores, exposure on IOCL is ₹ 40,018.67 crores, 28.30% of Bank's capital fund.

Exposures on all borrower groups were within the prudential norms during the year.

e) Unsecured Advances

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
a) Total Unsecured Advances of the bank	1,99,057.88	1,81,561.88
i) Of which amount of advances outstanding against charge over intangible securities such as rights, licences, authority etc.	5,654.07	3,654.02
ii) The estimated value of such intangible securities (as in (i) above).	24,391.94	15,236.41

18.6 Miscellaneous

a) Disclosure of Penalties imposed by RBI

Rs. 3.00 Crores (Previous year Nil)

b) Penalty for Bouncing of SGL forms

No penalty has been levied on the Bank for bouncing of SGL Forms.

18.7 Disclosure Requirements as per Accounting Standards

a) Effect of Changes in Accounting Policies

i. Accounting for Loyalty Reward Points

The accounting for liability on account of 'Loyalty Reward Points' has been changed from actual to actuarial valuation. The impact of the change has resulted in increase of profits by ₹ 55.48 crores.

ii. Depreciation Policy on Computer Software forming integral part of hardware

During the year rate of Depreciation on Computer Software forming an integral part of hardware has been changed from 60% on written down value to 33.33% on straight line basis in order to align the same with extant guidelines. Consequent to the change, additional depreciation of prior period of ₹ 8.13 crores is provided for during the year and the depreciation for the year is lower by ₹ 28.54 crores. As a result the fixed assets and profit before tax are higher by ₹ 20.41 crores.

b) Employee Benefits

i. Defined Benefit Plans

1. Employee's Pension Plan and Gratuity Plan

The following table sets out the status of the Defined Benefit Pension Plan and Gratuity Plan as per the actuarial valuation by the independent Actuary appointed by the Bank:-



Particulars	Pension Plans		Gratuity Plan	
	Current Year	Previous Year	Current Year	Previous Year
Change in the present value of the defined benefit obligation				
Opening defined benefit obligation at 1st April 2013	39,564.21	36,525.68	7,050.57	6,462.82
Current Service Cost	872.37	1,071.90	151.79	155.32
Interest Cost	3,362.96	3,196.00	581.67	549.34
Past Service Cost (Vested Benefit)	-	-	-	-
Actuarial losses (gains)	4,200.33	1,044.60	(135.41)	509.62
Benefits paid	(58.67)	(41.50)	(810.55)	(626.53)
Direct Payment by Bank	(2,704.21)	(2,232.47)	-	-
Closing defined benefit obligation at 31st March 2014	45,236.99	39,564.21	6,838.07	7,050.57
Change in Plan Assets				
Opening fair value of Plan Assets as at 1st April 2013	35,017.57	27,205.57	6,549.31	5,251.79
Expected Return on Plan Assets	3,011.51	2,339.68	569.79	451.65
Contributions by employer	3,971.20	5,094.24	758.17	1,409.94
Benefits Paid	(58.67)	(41.50)	(810.55)	(626.53)
Actuarial Gains / (Loss) on plan Assets	335.40	419.58	23.87	62.46
Closing fair value of plan assets as at 31st March 2014	42,277.01	35,017.57	7,090.59	6,549.31
Reconciliation of present value of the obligation and fair value of the plan assets				
Present Value of Funded obligation at 31st March 2014	45,236.99	39,564.21	6,838.07	7,050.57
Fair Value of Plan assets at 31st March 2014	42,277.01	35,017.57	7,090.59	6,549.31
Deficit/(Surplus)	2,959.98	4,546.64	(252.52)	501.26
Unrecognised Past Service Cost (Vested) Closing Balance	-	-	-	200.00
Unrecognised Transitional Liability Closing Balance	-	-	-	-
Net Liability/(Asset)	2,959.98	4,546.64	(252.52)	301.26
Amount Recognised in the Balance Sheet				
Liabilities	45,236.99	39,564.21	6,838.07	7,050.57
Assets	42,277.01	35,017.57	7,090.59	6,549.31
Net Liability / (Asset) recognised in Balance Sheet	2,959.98	4,546.64	(252.52)	501.26
Unrecognised Past Service Cost (Vested) Closing Balance	-	-	-	200.00
Unrecognised Transitional Liability Closing Balance	-	-	-	-
Net Liability/(Asset)	2,959.98	4,546.64	(252.52)	301.26
Net Cost recognised in the profit and loss account				
Current Service Cost	872.37	1,071.90	151.79	155.32
Interest Cost	3,362.96	3,196.00	581.67	549.34
Expected return on plan assets	(3,011.51)	(2,339.68)	(569.79)	(451.65)
Past Service Cost (Amortised) Recognised	-	-	200.00	100.00
Past Service Cost (Vested Benefit) Recognised	-	-	-	-
Net actuarial losses (Gain) recognised during the year	3,864.93	625.02	(159.28)	447.16
Total costs of defined benefit plans included in Schedule 16				
"Payments to and provisions for employees"	5,088.75	2,553.24	204.39	800.17
Reconciliation of expected return and actual return on Plan Assets				
Expected Return on Plan Assets	3,011.51	2,339.68	569.79	451.65
Actuarial Gain/ (loss) on Plan Assets	335.40	419.58	23.87	62.46
Actual Return on Plan Assets	3,346.91	2,759.26	593.66	514.11
Reconciliation of opening and closing net liability/ (asset) recognised in Balance Sheet				
Opening Net Liability as at 1st April 2013	4,546.64	9,320.11	301.26	911.03
Expenses as recognised in profit and loss account	5,088.75	2,553.24	204.39	800.17
Paid by Bank Directly	(2,704.21)	(2,232.47)	-	-
Debited to Other Provision	-	-	-	-
Recognised in Reserve	-	-	-	-
Employer's Contribution	(3,971.20)	(5,094.24)	(758.17)	(1,409.94)
Net liability/(Asset) recognised in Balance Sheet	2959.98	4,546.64	(252.52)	301.26



Investments under Plan Assets of Pension Fund & Gratuity Fund as on 31st March 2014 are as follows:

	Pension Fund	Gratuity Fund
Category of Assets	% of Plan Assets	% of Plan Assets
Central Govt. Securities	32.58	24.44
State Govt. Securities	22.54	17.54
Debt Securities, Money Market Securities and Bank Deposits	41.26	34.62
Insurer Managed Funds	-	21.28
Others	3.62	2.12
Total	100.00%	100.00%

Principal actuarial assumptions

Particulars	Pension Plans		Gratuity Plans	
	Current year	Previous year	Current year	Previous year
Discount Rate	9.27%	8.50%	9.35%	8.25%
Expected Rate of return on Plan Asset	8.70%	8.60%	8.70%	8.60%
Salary Escalation	5.00%	5.00%	5.00%	5.00%

Surplus/ Deficit in the Plan

Gratuity Plan

Amount recognized in the Balance Sheet	Year ended 31-03-2009	Year ended 31-03-2010	Year ended 31-03-2011	Year ended 31-03-2012	Year ended 31-03-2013	Year ended 31-03-2014
Liability at the end of the year	3,778.18	3,889.14	5,817.19	6,462.82	7,050.57	6,838.07
Fair value of Plan Assets at the end of the year	3,746.73	3,811.28	4,102.25	5,251.79	6,549.31	7,090.59
Difference	31.45	77.86	1,714.94	1,211.03	501.26	(252.52)
Unrecognised Past Service Cost	-	-	400.00	300.00	200.00	-
Unrecognised Transition Liability	-	-	-	-	-	-
Amount Recognized in the Balance Sheet	31.45	77.86	1,314.94	911.03	301.26	(252.52)

Experience adjustment

Amount recognized in the Balance Sheet	Year ended 31-03-2009	Year ended 31-03-2010	Year ended 31-03-2011	Year ended 31-03-2012	Year ended 31-03-2013	Year ended 31-03-2014
On Plan Liability (Gain) /Loss	(90.81)	(0.40)	879.37	367.64	459.56	210.19
On Plan Asset (Loss) /Gain	(1.24)	7.89	1.94	32.58	62.46	23.87

Surplus/Deficit in the plan

Pension

Amount recognized in the Balance Sheet	Year ended 31-03-2009	Year ended 31-03-2010	Year ended 31-03-2011	Year ended 31-03-2012	Year ended 31-03-2013	Year ended 31-03-2014
Liability at the end of the year	19,328.72	21,715.61	33,879.30	36,525.68	39,564.21	45,236.99
Fair value of Plan Assets at the end of the year	13,710.13	14,714.83	16,800.10	27,205.57	35,017.57	42,277.01
Difference	5,618.59	7,000.78	17,079.20	9,320.11	4,546.64	2,959.98
Unrecognised Past Service Cost	-	-	-	-	-	-
Unrecognised Transition Liability	-	-	-	-	-	-
Amount Recognized in the Balance Sheet	5,618.59	7,000.78	17,079.20	9,320.11	4,546.64	2,959.98

**Experience adjustment**

On Plan Liability (Gain) /Loss	905.07	5,252.37	1,188.70	1,677.80	345.90	7,709.67
On Plan Asset (Loss) /Gain	124.74	233.12	282.65	130.16	419.58	335.40

The estimates of future salary growth, factored in actuarial valuation, taking account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. Such estimates are very long term and are not based on limited past experience / immediate future. Empirical evidence also suggests that in very long term, consistent high salary growth rates are not possible, which has been relied upon by the auditors.

2. Employees' Provident Fund

Actuarial valuation carried out in respect of interest shortfall in the Provident Fund Trust of the Bank, as per Deterministic Approach shows "Nil" liability, hence no provision is made in F.Y. 2013-14.

The following table sets out the status of Provident Fund as per the actuarial valuation by the independent Actuary appointed by the Bank:-

₹ in crores

Particulars	Provident Fund	
	Current Year	Previous Year
Change in the present value of the defined benefit obligation		
Opening defined benefit obligation at 1st April 2013	20,742.83	19,482.46
Current Service Cost	529.53	529.97
Interest Cost	1,838.65	1,593.27
Employee Contribution (including VPF)	656.87	654.91
Actuarial losses/(gains)	-	784.39
Benefits paid	(1,963.49)	(2,302.17)
Closing defined benefit obligation at 31st March 2014	21,804.39	20,742.83
Change in Plan Assets		
Opening fair value of Plan Assets as at 1st April 2013	21,223.41	19,729.16
Expected Return on Plan Assets	1,838.65	1,593.27
Contributions	1,186.40	1,184.88
Benefits Paid	(1,963.49)	(2,302.17)
Actuarial Gains / (Loss) on plan Assets	81.45	1,018.27
Closing fair value of plan assets as at 31st March 2014	22,366.42	21,223.41
Reconciliation of present value of the obligation and fair value of the plan assets		
Present Value of Funded obligation at 31st March 2014	21,804.39	20,742.83
Fair Value of Plan assets at 31st March 2014	22,366.42	21,223.41
Deficit/(Surplus)	(562.03)	(480.58)
Net Asset not recognised in Balance Sheet	562.03	480.58
Net Cost recognised in the profit and loss account		
Current Service Cost	529.53	529.97
Interest Cost	1,838.65	1,593.27
Expected return on plan assets	(1,838.65)	(1,593.27)
Interest shortfall reversed	-	-
Total costs of defined benefit plans included in Schedule 16 "Payments to and provisions for employees"	529.53	529.97
Reconciliation of opening and closing net liability/ (asset) recognised in Balance Sheet		
Opening Net Liability as at 1st April 2013	-	-
Expense as above	529.53	529.97
Employer's Contribution	(529.53)	(529.97)
Net Liability/(Asset) Recognized In The Balance Sheet	-	-



Investments under Plan Assets of Provident Fund as on 31st March 2014 are as follows:

Provident Fund	
Category of Assets	% of Plan Assets
Central Govt. Securities	38.97
State Govt. Securities	16.63
Debt Securities, Money Market Securities and Bank Deposits	41.08
Insurer Managed Funds	-
Others	3.32
Total	100.00%

Principal actuarial assumptions

Particulars	Provident Fund	
	Current year	Previous year
Discount Rate	9.35%	8.50%
Guaranteed Return	8.75%	8.25%
Attrition Rate	2.00%	2.00%

ii. Defined Contribution Plan:

The Bank has a Defined Contribution Pension Scheme (DCPS) applicable to all categories of officers and employees joining the Bank on or after August 1, 2010. The Scheme is managed by NPS Trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depository Limited has been appointed as the Central Record Keeping Agency for the NPS. During F.Y.2013-14, the Bank has contributed ₹ 115.25 crores (Previous Year ₹ 67.73 crores).

iii. Other Long Term Employee Benefits

Amount of ₹(-)164.29 Crores (Previous Year ₹ 502.25 Crores) is (written back)/ provided towards Long Term Employee Benefits as per the actuarial valuation by the independent Actuary appointed by the Bank and is included under the head "Payments to and Provisions for Employees" in Profit and Loss Account.

Details of Provisions made for various long Term Employee Benefits during the year:

₹ in crores

Sr. No.	Long Term Employee Benefits	Current Year	Previous Year
1	Privilege Leave (Encashment) incl. leave encashment at the time of retirement	366.46	407.59
2	Leave Travel and Home Travel Concession (Encashment/ Availment)	(33.11)	24.96
3	Sick Leave	(392.42)	18.17

Sr. No.	Long Term Employee Benefits	Current Year	Previous Year
4	Silver Jubilee Award	(22.99)	12.24
5	Resettlement Expenses on Superannuation	(2.07)	1.44
6	Casual Leave	(82.55)	17.89
7	Retirement Award	2.39	19.96
Total		(164.29)	502.25

The provision towards Sick Leave and Casual Leave has been assessed based on the actuarial valuation considering the past behavioural pattern as on 31st March 2014 as Rs Nil. Accordingly, the existing provision of Rs 474.97 crores has been reversed during the year.

c) Segment Reporting:

1. Segment Identification

I. Primary (Business Segment)

The following are the primary segments of the Bank:-

- Treasury
- Corporate / Wholesale Banking
- Retail Banking
- Other Banking Business

The present accounting and information system of the Bank does not support capturing and extraction of the data in respect of the above segments separately. However, based on the present internal, organisational and management reporting structure and the nature of their risk and returns, the data on the primary segments have been computed as under:

i. Treasury - The Treasury Segment includes the entire investment portfolio and trading in foreign exchange contracts and derivative contracts. The revenue of the treasury segment primarily consists of fees and gains or losses from trading operations and interest income on the investment portfolio.

ii. Corporate / Wholesale Banking - The Corporate / Wholesale Banking segment comprises the lending activities of Corporate Accounts Group, Mid Corporate Accounts Group and Stressed Assets Management Group. These include providing loans and transaction services to corporate and institutional clients and further include non-treasury operations of foreign offices.

iii. Retail Banking - The Retail Banking Segment comprises of branches in National Banking Group, which primarily includes Personal Banking activities including lending activities to corporate



customers having banking relations with branches in the National Banking Group. This segment also includes agency business and ATMs.

- iv. Other Banking business** – Segments not classified under (i) to (iii) above are classified under this primary segment.

II. Secondary (Geographical Segment)

- i) Domestic Operations - Branches/Offices having operations in India
- ii) Foreign Operations - Branches/Offices having operations outside India and offshore Banking units having operations in India

III. Pricing of Inter-segmental Transfers

The Retail Banking segment is the primary resource mobilising unit. The Corporate/Wholesale Banking

and Treasury segments are recipient of funds from Retail Banking. Market related Funds Transfer Pricing (MRFTP) is followed under which a separate unit called Funding Centre has been created. The Funding Centre notionally buys funds that the business units raise in the form of deposits or borrowings and notionally sell funds to business units engaged in creating assets.

IV. Allocation of Expenses, Assets and Liabilities

Expenses incurred at Corporate Centre establishments directly attributable either to Corporate / Wholesale and Retail Banking Operations or to Treasury Operations segment, are allocated accordingly. Expenses not directly attributable are allocated on the basis of the ratio of number of employees in each segment/ratio of directly attributable expenses.

The Bank has certain common assets and liabilities, which cannot be attributed to any segment, and the same are treated as unallocated.

2. Segment Information

Part A: Primary (Business Segments)

₹ In crores

Business Segment	Treasury	Corporate / Wholesale Banking	Retail Banking	Other Banking Operations	Total
Revenue #	34,763.95 (29,467.67)	54,180.43 (46,453.57)	65,543.48 (59,427.06)	- (-)	1,54,487.86 (1,35,348.30)
Unallocated Revenue #	-	-	-	-	415.86 (343.64)
Total Revenue	-	-	-	-	1,54,903.72 (1,35,691.94)
Result #	1508.29 (4,782.29)	2,176.59 (7,315.21)	15,762.74 (11,215.21)	- (-)	19,447.62 (23,312.71)
Unallocated Income(+) / Expenses(-) - net #	-	-	-	-	(-)-3273.73 (-)-3,361.82)
Operating Profit #	-	-	-	-	16,173.89 (19,950.89)
Tax #	-	-	-	-	5,282.72 (5,845.91)
Extraordinary Profit #	-	-	-	-	-
Net Profit #	-	-	-	-	10,891.17 (14,104.98)
Other Information:					
Segment Assets *	4,23,098.66 (3,73,533.96)	7,07,907.27 (5,82,664.07)	6,45,978.57 (5,96,698.77)	- (-)	17,76,984.50 (15,52,896.80)
Unallocated Assets *	-	-	-	-	15,250.10 (13,314.47)
Total Assets*	-	-	-	-	17,92,234.60 (15,66,211.27)
Segment Liabilities *	2,14,629.31 (1,99,998.27)	6,20,852.90 (4,91,994.55)	7,87,170.47 (7,29,632.90)	- (-)	16,22,652.68 (14,21,625.72)
Unallocated Liabilities*	-	-	-	-	51,299.67 (45,701.87)
Total Liabilities *	-	-	-	-	16,73,952.35 (14,67,327.59)

(Figures in brackets are for previous year)



Part B: Secondary (Geographic Segments)

₹ In crores

	Domestic		Foreign		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue #	1,45,647.12	1,27,139.47	8,840.74	8,208.83	1,54,487.86	1,35,348.30
Result#	16,377.14	20,026.46	3070.48	3,286.25	19,447.62	23,312.71
Assets *	15,24,746.71	13,39,476.62	2,67,487.89	2,26,734.65	17,92,234.60	15,66,211.27
Liabilities*	14,06,464.46	12,40,592.94	2,67,487.89	2,26,734.65	16,73,952.35	14,67,327.59

For the year ended 31st March 2014

* As at 31st March 2014

d) Related Party Disclosures:

1. Related Parties

A. SUBSIDIARIES

i. DOMESTIC BANKING SUBSIDIARIES

1. State Bank of Bikaner & Jaipur
2. State Bank of Hyderabad
3. State Bank of Mysore
4. State Bank of Patiala
5. State Bank of Travancore

ii. FOREIGN BANKING SUBSIDIARIES

1. SBI (Mauritius) Ltd.
2. State Bank of India (Canada)
3. State Bank of India (California)
4. Commercial Indo Bank Llc , Moscow
5. PT Bank SBI Indonesia
6. Nepal SBI Bank Ltd.
7. State Bank of India (Botswana) Ltd.

iii. DOMESTIC NON-BANKING SUBSIDIARIES

1. SBI Capital Markets Ltd.
2. SBI DFHI Ltd.
3. SBI Mutual Fund Trustee Company Pvt. Ltd.
4. SBICAP Securities Ltd.
5. SBICAP Ventures Ltd.
6. SBICAP Trustee Company Ltd.
7. SBI Cards and Payment Services Pvt. Ltd.
8. SBI Fund Management Pvt. Ltd.
9. SBI Life Insurance Company Ltd.
10. SBI Pension Funds Pvt. Ltd.
11. SBI – SG Global Securities Services Pvt. Ltd.
12. SBI Global Factors Ltd.
13. SBI General Insurance Company Ltd.
14. SBI Payment Services Pvt. Ltd.

iv. FOREIGN NON-BANKING SUBSIDIARIES

1. SBICAP (UK) Ltd.
2. SBI Funds Management (International) Pvt. Ltd.
3. SBICAP (Singapore) Ltd.

B. JOINTLY CONTROLLED ENTITIES

1. GE Capital Business Process Management Services Pvt. Ltd
2. C-Edge Technologies Ltd.
3. Macquarie SBI Infrastructure Management Pte. Ltd.
4. Macquarie SBI Infrastructure Trustee Ltd.
5. SBI Macquarie Infrastructure Management Pvt. Ltd.
6. SBI Macquarie Infrastructure Trustee Pvt. Ltd.
7. Oman India Joint Investment Fund – Management Company Pvt. Ltd.
8. Oman India Joint Investment Fund – Trustee Company Pvt. Ltd.

C. ASSOCIATES

i. Regional Rural Banks

1. Andhra Pradesh Grameena Vikas Bank
2. Arunachal Pradesh Rural Bank
3. Chhattisgarh Rajya Gramin Bank
4. Ellaquai Dehati Bank
5. Meghalaya Rural Bank
6. Krishna Grameena Bank (upto 22.08.2013)
7. Langpi Dehangi Rural Bank
8. Madhyanchal Gramin Bank
9. Mizoram Rural Bank
10. Nagaland Rural Bank
11. Purvanchal Bank
12. Saurashtra Gramin Bank
13. Utkal Grameen Bank



14. Uttarakhand Gramin Bank
15. Vananchal Gramin Bank
16. Marudhara Gramin Bank
17. Deccan Grameena Bank
18. Kaveri Grameena Bank
19. Malwa Gramin Bank

ii. Others

1. SBI Home Finance Ltd.
2. The Clearing Corporation of India Ltd.
3. Bank of Bhutan Ltd.

D. Key Management Personnel of the Bank

1. Shri Pratip Chaudhuri, Chairman (up to 30.09.2013)
2. Smt. Arundhati Bhattacharya, Chairman (from 07.10.2013)
3. Shri Hemant G. Contractor, Managing Director & Group Executive (International Banking)
4. Shri A. Krishna Kumar, Managing Director & Group Executive (National Banking)

5. Shri Diwakar Gupta, Managing Director & Chief Financial Officer (upto 31.07.2013)
6. Smt. Arundhati Bhattacharya, Managing Director & Chief Financial Officer (from 02.08.2013 to 06.10.2013)
7. Shri S. Vishvanathan, Managing Director & Group Executive (Associates & Subsidiaries)
8. Shri P. Pradeep Kumar, Managing Director & Group Executive (Corporate Banking) (from 27.12.2013)

2. Parties with whom transactions were entered into during the year

No disclosure is required in respect of related parties, which are "State-controlled Enterprises" as per paragraph 9 of Accounting Standard (AS) 18. Further, in terms of paragraph 5 of AS 18, transactions in the nature of Banker-Customer relationship have not been disclosed including those with Key Management Personnel and relatives of Key Management Personnel.

3. Transactions and Balances

₹ In crores

Particulars	Associates/ Joint Ventures	Key Management Personnel & their relatives	Total
Transactions during the year			
Interest received	0.02	-	0.02
	(-)	(-)	(-)
Interest paid	4.00	-	4.00
	(1.06)	(-)	(1.06)
Income earned by way of dividend	12.24	-	12.24
	(15.22)	(-)	(15.22)
Other Income	-	-	-
	(17.81)	(-)	(17.81)
Other expenditure	-	-	-
	(-)	(-)	(-)
Management contracts	-	1.08	1.08
	(-)	(0.95)	(0.95)
Outstanding as on 31st March			
Payables	96.11	-	96.11
	(154.21)	(-)	(154.21)
Receivables	-	-	-
	(-)	(-)	(-)

Figures in brackets are for Previous Year

There are no materially significant related party transactions during the year.



e) Liability for Operating Leases

Premises taken on operating lease are given below:

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
Not later than 1 year	135.06	112.44
Later than 1 year and not later than 5 years	434.85	388.60
Later than 5 years	109.27	117.79
Total*	679.18	618.83
Amount of lease payments recognised in the P&L Account for the year.	153.90	114.15

Operating leases primarily comprise office premises and staff residences, which are renewable at the option of the Bank.

* In respect of Non-Cancellable leases only.

f) Earnings per Share

The Bank reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 - "Earnings per Share". "Basic earnings" per share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year.

Particulars	Current Year	Previous Year
Basic and diluted		
Number of Equity Shares outstanding at the beginning of the year	68,40,33,971	67,10,44,838
Number of Equity Shares issued during the year	6,25,39,121	1,29,89,133
Number of Equity Shares outstanding at the end of the year	74,65,73,092	68,40,33,971
Weighted average number of equity shares used in computing basic earnings per share	69,47,83,910	67,14,72,052
Weighted average number of shares used in computing diluted earnings per share	69,47,83,910	67,14,72,052
Net profit (₹ In crores)	10,891.17	14,104.98
Basic earnings per share (₹)	156.76	210.06
Diluted earnings per share (₹)	156.76	210.06
Nominal value per share (₹)	10	10

g) Accounting for Taxes on Income

i. Deferred Tax :

- During the year, ₹ 1055.25 crores has been debited to Profit and Loss Account [Previous Year ₹ 107.97 crores credited] on account of deferred tax.

- During the year, the Bank has recognised deferred tax asset on provision for standard restructured assets, which was hitherto not being done. Accordingly, an amount of ₹ 516.43 crores (including ₹ 245.05 crores relating to period upto 31.03.2013) has been accounted for in the current year.

- The Bank has net deferred tax liability of ₹ 2,837.84 crores (Previous Year net deferred tax liability of ₹ 628.92 Crores), which is included under 'Other Liabilities and Provisions'. The breakup of deferred tax assets and liabilities into major items is given below:

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
Deferred Tax Assets		
Provision for Defined Benefit Schemes on account of Wage Revision	72.05	72.05
Provision for long term employee Benefits	1235.19	2,126.16#
Provision for restructured Standard Assets	516.43	Nil
Depreciation on Fixed Assets	Nil	7.55
Others	Nil	Nil
Net DTAs on account of Foreign Offices	511.82	282.16
Total	2,335.49	2,487.92
Deferred Tax Liabilities		
Depreciation on Fixed Assets	8.56	Nil
Interest on securities*	3280.02	3,116.84
Special Reserve created u/s 36(1)(VIII) of Income Tax Act 1961	1884.74\$	Nil
Total	5,173.32	3,116.84
Net Deferred Tax Assets/ (Liabilities)	(2,837.83)	(628.92)

Includes tax credit arising out of provision for leave encashment for employees of ₹ 922.15 crores.

* Includes ₹ 336.62 Crores transferred to Income Tax Account (Previous Year ₹ 917.04 Crores transferred from Income Tax Account).

\$ Includes ₹ 1525.13 Crores transferred from Revenue and Other reserves in accordance with RBI circular.

h) Investments in Jointly Controlled Entities

Investments include ₹ 38.28 crores (Previous Year ₹ 38.14 crores) representing Bank's interest in the following jointly controlled entities



Sr. No	Name of the Company	Amount ₹ In crores	Country of Residence	Holding %
1	GE Capital Business Process Management Services Pvt. Ltd.	9.44 (9.44)	India	40%
2	C - Edge Technologies Ltd.	4.90 (4.90)	India	49%
3	Maquarie SBI Infrastructure Management Pte. Ltd.	2.25 (2.25)	Singapore	45%
4	SBI Macquarie Infrastructure Management Pvt. Ltd.	18.57 (18.57)	India	45%
5	SBI Macquarie Infrastructure Trustee Pvt. Ltd.	0.03 (0.03)	India	45%
6	Macquarie SBI Infrastructure Trustee Ltd. #	0.78 (0.64)	Bermuda	45%
7	Oman India Joint Investment Fund – Management Company Pvt. Ltd.	2.30 (2.30)	India	50%
8	Oman India Joint Investment Fund – Trustee Company Pvt. Ltd.	0.01 (0.01)	India	50%

Indirect holding through Maquarie SBI Infra Management Pte. Ltd., against which the Company has made 100% provision, except additional investment made during the FY 2013-14.

(Figures in brackets relate to previous year)

As required by AS 27, the aggregate amount of the assets, liabilities, income, expenses, contingent liabilities and commitments related to the Bank's interests in jointly controlled entities are disclosed as under:

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
Liabilities		
Capital & Reserves	130.61	125.43
Deposits	-	-
Borrowings	10.91	12.65
Other Liabilities & Provisions	109.30	78.76
Total	250.82	216.84
Assets		
Cash and Balances with RBI	-	-
Balances with Banks and money at call and short notice	111.79	88.31
Investments	0.65	0.48
Advances	-	-
Fixed Assets	42.03	41.22
Other Assets	96.35	86.83
Total	250.82	216.84
Capital Commitments		
Other Contingent Liabilities	2.95	3.11
Income		
Interest earned	6.13	7.44
Other income	249.15	208.89
Total	255.28	216.33
Expenditure		
Interest expended	1.52	1.37
Operating expenses	198.54	170.56
Provisions & contingencies	13.97	11.63
Total	214.03	183.56
Profit	41.25	32.77



i) Impairment of Assets

In the opinion of the Bank's Management, there is no impairment to the assets during the year to which Accounting Standard 28 – "Impairment of Assets" applies.

j) Description of Contingent Liabilities (AS-29)

Sr. No.	Particulars	Brief Description
1	Claims against the Bank not acknowledged as debts	The Bank is a party to various proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows. The Bank is a party to various taxation matters in respect of which appeals are pending.
2	Liability on account of outstanding forward exchange contracts	The Bank enters into foreign exchange contracts, currency options, forward rate agreements, currency swaps and interest rate swaps with inter-Bank participants on its own account and for customers. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. Currency swaps are commitments to exchange cash flows by way of interest/principal in one currency against another, based on predetermined rates. Interest rate swaps are commitments to exchange fixed and floating interest rate cash flows. The notional amounts that are recorded as Contingent Liabilities, are typically amounts used as a benchmark for the calculation of the interest component of the contracts.
3	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial Banking activities, the Bank issues documentary credits and guarantees on behalf of its customers. Documentary credits enhance the credit standing of the customers of the Bank. Guarantees generally represent irrevocable assurances that the Bank will make payment in the event of the customer failing to fulfil its financial or performance obligations.
4	Other items for which the Bank is contingently liable.	These are being contested by the Bank and not provided for. Further, the Bank has made commitments to subscribe to shares in the normal course of business.

The Contingent Liabilities mentioned above are dependent upon the outcome of Court/ arbitration/out of Court settlements, disposal of appeals, the amount being called up, terms of contractual obligations, devolvement and raising of demand by concerned parties, as the case may be.

a) Movement of provisions against Contingent Liabilities

₹ In crores

Particulars	Current Year	Previous Year
Opening balance	256.21	262.44
Additions during the year (Previous Year figures include provision transferred from e SBICI)	87.59	68.47
Reductions during the year	16.49	74.70
Closing balance	327.31	256.21

18.8 Additional Disclosures

1. Provisions and Contingencies

₹ In crores

Particulars	Current Year	Previous Year
Provision for Taxation		
-Current Tax	4,359.74	5,951.06
-Deferred Tax	1,055.25	(107.97)
-Write Back of Income Tax/ Fringe Benefit Tax	(142.28)	0
-Other Tax	10.00	2.82
Provision for Depreciation on Investments	563.25	(961.29)
Withdrawal from Counter Cyclical Buffer	(750.00)	0
Provision on Non-Performing Assets	14,478.45	10,656.97
Provision on Restructured Assets	495.12	710.82
Provision on Standard Assets	1260.69	749.61
Other Provisions	(112.16)	(25.28)
Total	21,218.06	16,976.74

**2. Floating Provisions**

₹ In crores

Particulars	Current Year	Previous Year
Opening Balance	25.14	25.14
Addition during the year	-	-
Draw down during the year	-	-
Closing Balance	25.14	25.14

3. Withdrawal from Reserves

During the year, the Bank has withdrawn following amount from the Reserves:

₹ In crores

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
On account of Inter Office reconciliation	-	0.21
For Creation of Deferred Tax Liability on Special Reserve created u/s 36(1)(viii) of Income Tax Act	1,525.13	-

4. Status of complaints**A. Customer complaints**

Particulars	As at 31 Mar 2014	As at 31 Mar 2013
No. of complaints pending at the beginning of the year	32,705	13,414
No. of complaints received during the year	15,03,638	18,86,249
No. of complaints redressed during the year	15,14,930	18,66,958
No. of complaints pending at the end of the year	21,413	32,705

B. Awards passed by the Banking Ombudsman

Particulars	Current Year	Previous Year
No. of unimplemented Awards at the beginning of the year	28	21
No. of Awards passed by the Banking Ombudsman during the year	63	159
No. of Awards implemented during the year	82	152
No. of unimplemented Awards at the end of the year	9	28

5. Payment to Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006

As per the information available with the Bank, there have been no reported cases of delayed payments of the principal amount or interest due thereon to Micro, Small & Medium Enterprises.

6. Letter of Comfort issued for Subsidiaries

The Bank has issued letters of comfort on behalf of its subsidiaries. Outstanding letters of comfort as on 31st March 2014 aggregate to ₹ 1,914.97 Crores (Previous Year: ₹ 477.19 Crores). In the Bank's assessment no financial impact is likely to arise.

7. Provisioning Coverage Ratio:

The Provisioning to Gross Non-Performing Assets ratio of the Bank as on 31st March 2014 is 62.86% (Previous Year 66.58%).

8. Fees/remuneration received in respect of the bancassurance business

₹ In crores

Name of Company	Current Year	Previous Year
SBI Life Insurance Co. Ltd.	222.05	212.03
SBI General Insurance Co. Ltd.	48.41	29.62
Manu Life Financial Limited and NTUC	0.61	2.97
Tokio Marine	1.52	-
TOTAL	272.59	244.62

9. Concentration of Deposits, Advances Exposures & NPAs**a) Concentration of Deposits**

₹ In crores

Particulars	Current Year	Previous Year
Total Deposits of twenty largest depositors	1,03,157.26	79,985.27
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank	7.40%	6.65%

b) Concentration of Advances

₹ In crores

Particulars	Current Year	Previous Year
Total Advances to twenty largest borrowers	2,22,862.28	1,11,717.95
Percentage of Advances to twenty largest borrowers to Total Advances of the Bank	17.90%	10.36%



c) Concentration of Exposures

₹ In crores

Particulars	Current Year	Previous Year
Total Exposure to twenty largest borrowers/customers	3,32,789.45	2,47,179.38
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the Bank on borrowers/customers	16.88%	14.08%

d) Concentration of NPAs

₹ In crores

Particulars	Current Year	Previous Year
Total Exposure to top four NPA accounts	4,782.78	2,797.98

10. Sector –wise NPAs

Sr. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		Current Year	Previous Year
1	Agriculture & allied activities	8.11 %	9.50 %
2	Industry (Micro & Small, Medium and Large)	3.87 %	4.37 %
3	Services	5.18 %	4.43 %
4	Personal Loans	1.31%	1.98 %

11. Overseas Assets, NPAs and Revenue

₹ In crores

Sr. No.	Particulars	Current Year	Previous Year
1	Total Assets	2,67,487.89	2,26,734.65
2	Total NPAs (Gross)	3,786.64	2,811.27
3	Total Revenue	8,840.74	8,208.83

12. Off-balance Sheet SPVs sponsored

Name of the SPV Sponsored		
	Domestic	Overseas
Current Year	NIL	NIL
Previous Year	NIL	NIL

13. Unamortised Gratuity Liabilities

In accordance with RBI Circular No. DBOD. BP.BC.80/21.04.018/2010-11 dated February 9, 2011 the Bank had opted to amortise the additional liability on account of enhancement in Gratuity limit over a period of 5 years beginning with the financial

year ended March 31, 2011. However, the Bank in the current year has decided to provide in full the balance unrecognised liability and accordingly, the Bank has charged a sum of ₹ 200 crores to the Profit and Loss Account for the financial year ended March 31, 2014.

14. Disclosure relating to Securitisation

₹ In crores

Sr. No.	Particulars	Number	Amount
1.	No. of the SPVs sponsored by the Bank for securitization transactions	Nil	Nil
2.	Total amount of securitized assets as per the books of the SPVs sponsored by the bank	Nil	Nil
3.	Total amount of exposures retained by the bank to comply with MMR as on the date of balance sheet a) Off-balance sheet exposures i. First Loss ii. Others b) On-balance sheet exposures i. First Loss ii. Others	Nil	Nil
4.	Amount of exposures to securitisation transactions other than MMR a) Off-balance sheet exposures i. Exposures to own securitisations 1. First Loss 2. Others ii. Exposures to third party securitisations 1. First Loss 2. Others b) On-balance sheet exposures i. Exposures to own securitisations 1. First Loss 2. Others ii. Exposures to third party securitisations 1. First Loss 2. Others	Nil	Nil

15. Inter Office Accounts

Inter Office Accounts between branches, controlling offices and local head offices and corporate centre establishments are being reconciled on an ongoing basis and no material effect is expected on the profit and loss account of the current year.

**16. Specific Provision for NPAs**

During the year, the Bank has utilized the specific provisions of Rs 2056.26 crores made during previous years (2011-12 and 2012-13) against certain non performing domestic advances to provide for estimated loss in the collectible amounts of such advances.

17. Pending Wage Agreement

The Ninth Bipartite Settlement entered into by the Indian Banks' Association on behalf of the member Banks with the All India Unions of Workmen expired on 31st October 2012. Pending execution of agreement for wage revision, to be effective from 1st November 2012, a provision of ₹ 1814 Crores (previous year ₹ 720 crores) has been made during the year. Considering the above the Bank, on estimated basis, has made a provision of ₹ 540 crores (previous year ₹ 225 crores) towards Superannuation and other long term employee benefits.

18. Counter Cyclical Buffer

RBI vide Circular No. DBOD.No.BP.95/21.04.048/2013-14 dated February 7, 2014 on 'Utilisation of Floating Provisions/Counter Cyclical Provisioning Buffer' has allowed the banks, to utilise up to 33 per cent of Counter Cyclical Provisioning Buffer (CCPB) held by them as on March 31, 2013, for making specific provisions for Non-Performing Assets (NPAs) as per the policy approved by the Bank's Board of Directors. Accordingly, the Bank has utilized the CCPB of ₹ 750 crores (as against the

maximum permissible limit of ₹ 1,132 crores i.e. 33% of ₹ 3,430 crores the balance as on 31.03.2013) for making specific provision for NPAs, in accordance with the board approved policy and approval of the Board.

19. Deferred Tax Liability on Special Reserve u/s 36(1) (viii)

RBI vide Circular No. DBOD.No.BP. BC.77/21.04.018/2013-14 dated December 20, 2013 on 'Deferred Tax Liability on Special Reserve created under Section 36(1)(viii) of the Income Tax Act, 1961', has advised that, as a matter of prudence, Deferred Tax Liability (DTL) should be created on Special Reserve. Further, it has allowed the banks to adjust the provision for DTL on Special Reserve as at 31st March 2013 against the Reserves and the provision for DTL on Special Reserve created from the year 2013-14 should be charged to the profit and loss account. Accordingly, an amount of ₹ 1,525.13 crores has been adjusted from the reserves for creation of DTL on Special Reserve of ₹ 4,487 crores as on 31st March 2013. Further, an amount of ₹ 359.61 crores has been charged to Profit and Loss Account for creation of DTL on Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961 for the year.

20. Previous year figures have been regrouped/ reclassified, wherever necessary, to conform to current year classification. In cases where disclosures have been made for the first time in terms of RBI guidelines / Accounting Standards, previous year's figures have not been mentioned.