November 11, 2019

State Bank of India – [ICRA]AA+(hyb) assigned and reaffirmed on Basel III compliant Tier I bonds

Summary of rating action

Instrument*	Previously Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Basel III Compliant Tier I Bonds	-	3,500.00	[ICRA]AA+(hyb)(Stable); assigned
Basel III Compliant Tier I Bonds	11,500.00	11,500.00^	[ICRA]AA+(hyb)(Stable); Re-affirmed
Basel III Compliant Tier II Bonds	15,743.00	15,743.00	[ICRA]AAA(hyb)(Stable); outstanding
Lower Tier II Bonds Programme	500.00	500.00	[ICRA]AAA(Stable); outstanding
Certificates of Deposits	41,500.00	41,500.00	[ICRA]A1+; outstanding
Medium Term Deposits	NA	NA	MAAA(Stable); outstanding
Total	**69,243.00**	**72,743.00**	

^ Includes Rs 1,077.9 crore of bonds that are yet to be issued

* Instrument details are provided in Annexure-1

ICRA has assigned a rating of [ICRA]AA+(hyb) with stable outlook for the Basel III-compliant Tier I bonds (or Additional Tier I or AT-I bonds) programme of the State Bank of India (SBI)[1]. The rated Tier I bonds have the following loss absorption features that make them riskier:

- Coupon payments are non-cumulative and discretionary, and the bank has the full discretion at all times to cancel coupon payments. Cancellation of discretionary payments shall not be an event of default.

- Coupons can be paid out of the current year profits. However, if the current year's profit is not sufficient, or, if the payment of coupon is likely to result in a loss, the coupon payment can be done through reserves and surpluses[2] created through appropriation of profits (including statutory reserves). However, the coupon payment is subject to the bank meeting the minimum regulatory requirements for CET I, Tier I and total capital ratios (including capital conservation buffer, CCB) at all times as prescribed by the Reserve Bank of India (RBI) under the Basel III regulations.

These Tier I bonds are expected to absorb losses through the write-down mechanism at the objective pre-specified trigger point fixed at the bank's (CET-I) ratio as prescribed by the RBI – 5.5% till March 2020, and thereafter 6.125% of the total risk weighted assets (RWA) of the bank or when the Point of Non-Viability trigger is breached in the RBI's opinion.

The letters 'hyb' in parenthesis suffixed to a rating symbol stands for 'hybrid', indicating that the rated instrument is a hybrid subordinated instrument with equity-like loss-absorption features, which may translate into higher levels of rating transition and loss severity vis-à-vis conventional debt instruments.

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[1] For complete rating scale and definitions, please refer to ICRA's website (www.icra.in) or other ICRA rating publications.
[2] Calculated as per the amendment in Basel III capital regulations for AT-I bonds by the RBI, vide its circular dated February 2, 2017. As per the amended definition, distributable reserves include all reserves created through appropriation from profit and loss account.

Rationale

Given the above distinguishing features of the Tier I bonds, ICRA has assigned a one notch lower rating on these than the rating on the Tier II instruments. The distributable reserves that can be used for servicing the coupon in a situation of inadequate profits or a loss during the year, stood at a comfortable 5.18% of risk-weighted assets (RWA) as on March 31, 2019 and improved to 5.55% as on September 30, 2019 supported by positive accruals and de-growth in the RWA during H1 FY2020. The rating on the Tier I bonds continues to be supported by the bank's capital profile (CRAR: 13.59%; CET-I capital: 10.08% and Tier I capital: 11.31% as on September 30, 2019) which is likely to remain comfortable, given SBI's strong capital-raising ability as well as its systemic importance in the Indian banking system. The rating on the Basel III compliant Tier I bonds also factors in the pressure on the bank's profitability, witnessed during the last two years. However, the same is expected to reduce going forward, given the asset quality-related concerns that are expected to be relatively lower than that in the past. Further, adequate operating profits and a buffer in the form of existing capital levels and sizeable distributable reserves provide comfort in servicing of these Tier I bonds.

The highest credit quality ratings on the other SBI instruments continue to be supported by its majority sovereign ownership (58.00% as on September 30, 2019) and its status as an important bank, given its dominant position in the Indian financial system with dominant market share in banking sector advances and domestic deposits at ~24%[3] each. The rating continues to reflect the healthy growth in advances and the strong resource profile with a high share of the CASA deposits, leading to high granularity in its deposit base, thus imparting comfortable liquidity. Further, the rating draws comfort from SBI's current capitalisation levels and the bank's strong ability to raise funds from the market. Most of SBI's subsidiaries remain self-sufficient and profitable with limited capital requirements in the medium term and offer considerable value-unlocking opportunities. Although net profitability remained weak during FY2019 (despite steady operating profitability), it improved during H1 FY2020, supported by stable operating profits, lower credit provisioning and treasury gains, including profit from the divestment of a stake in a subsidiary. The net profitability continues to be weighed down by elevated credit cost, despite moderation in the annualised fresh NPA-generation rate, which stood at 1.76% (annualised) for Q2 FY2020 as compared to 3.21% for Q1 FY2020, as the bank increased the provision coverage ratio (PCR)[4] to 62.92% as on September 30, 2019 from 61.05% as on June 30, 2019. The bank has the stock of SMA[5]-1 & 2 totalling ~Rs. 9,312-crore (0.45% of standard advances) as on September 30, 2019. Additionally, it had standard exposures of ~Rs. 7,822-crore[6] (~0.37% of standard advances) that were being pursued under the RBI's revised framework for resolution of stressed assets, as on June 30, 2019. These could be the source of potential stress during FY2020. ICRA expects SBI's operating profitability to remain steady with the asset quality related pressures likely to keep net profitability subdued, resulting in the expected return on assets (RoA) at a muted level of ~0.4% in FY2020. In ICRA's view, for a 6-8% growth in the RWAs and a 1% cushion over the regulatory capital requirements[7], based on capital ratios as on September 30, 2019 and capital raisings done during H1 FY2020, SBI will need ~Rs. 2,000-7,000-crore of Tier 1 during H2 FY2020. The bank's ability to control slippages in the coming quarters and improve recoveries in the already slipped accounts, will remain a key rating monitorable as these will be critical for credit provisioning and overall profitability and hence the capital requirements.

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[3] *As on June 30, 2019*

[4] *PCR is calculated excluding technical write-offs (TWO)*

[5] *Special Mention Account; SMA 1 is overdue by 31-60 days and SMA 2 is overdue by 61-90 days. The exposure to SMA accounts of SBI with exposure of >Rs 5 crore and below Rs. 2,000 crore from the banking system*

[6] *Excludes Rs. 9,001 crore of exposure classified as SMA by the bank as on September 30, 2019*

[7] *Includes capital conservation buffer (CCB) of 2.5% of RWA and D-SIB of 0.6% of RWA*

Key rating drivers

Credit strengths

Systemically important bank with majority sovereign ownership – The ratings continue to factor in SBI's majority sovereign ownership (58.00% equity shares held by the Government of India (GoI) as on September 30, 2019) and the demonstrated capital infusion from the parent (total capital infusion of Rs. 19,874-crore during FY2016-2018 under recapitalisation plan). SBI also holds a dominant position in the Indian banking industry with a market share in banking sector advances and domestic deposits at ~24% each as on June 30, 2019 and market leadership in various product segments. Given SBI's significance in the overall financial system, it has been classified as a Domestic Systemically Important Bank (D-SIB) by the RBI. During FY2019 and H1 FY2020, the GoI infused ~1.66 lakh crore in various public-sector banks (PSBs)[8], however, there was no capital infusion into SBI from the GoI during these periods as it was relatively better placed. Going forward, the bank will require growth capital and based on the existing GoI shareholding, SBI can raise enough capital for growth from the non-GoI sources while maintaining majority GoI ownership.

Healthy credit growth across retail & corporates segment and strong market position – SBI's gross loan book grew by ~8.7% YoY to Rs. 22.48 lakh crore as on September 30, 2019 up from Rs. 20.69 lakh crore as on September 30, 2018. The increase in advances was driven by a healthy credit off-take across the retail personal segment (18.9% YoY growth), while the growth in the agriculture and the SME segments remained subdued at 3.2% and 2.8%, respectively. The corporate loan book growth remained muted at 2.8% YoY as on September 30, 2019 because of a de-growth in certain segments like textiles, steel and petroleum products, even as it was offset by increased growth in the infrastructure and the services segments. SBI holds a dominant position in the home loan and auto loan segments with a market share of over 35% each and an overall market share of 24% in advances of the Indian banking industry. As of September 30, 2019, SBI's domestic loan book was dominated by corporate advances which constituted 39.7% of the bank's domestic gross advances followed by retail advances (excluding SME) at 35.6%, SME advances at 14.2% and agriculture advances at 10.5%. The international loan book constituted 14.2% of its gross advances (overall) as on September 30, 2019. Despite higher growth in retail advances, the share of the top 20 exposures overall and the share of the top 20 exposures as % of Tier 1 capital had inched up and stood at 12.61% and 141% respectively as on March 31, 2019 (7.91% and 97% respectively as on March 31, 2018). ICRA expects SBI's credit growth to remain healthy in the medium term, supported by a strong deposit base, planned capital raising, divestment of stake in non-core businesses in the near to medium term.

Strong resource profile with a large share of CASA deposits – Supported by its large branch network across India as well as the large share in Government business and well-developed customer franchise, SBI holds a dominant position in the Indian banking industry with a ~24% market share in deposits as at June 30, 2019. Despite its high market share of deposits, the share of the top 20 depositors stood the lowest amongst other PSBs at 3.11% of total deposits as on March 31, 2019 as against 4.42% of the total deposits as on March 31, 2018. SBI's CASA-to-deposits (domestic) ratio remains one of the highest amongst the PSBs, which is supported by a large pool of Rs 11.30 lakh crore of savings deposits, a significant credit positive, translating into lower cost of interest-bearing funds. The bank's domestic CASA deposits ratio stood at 45.13% as on September 30, 2019 compared to the PSBs average of ~39%. The CASA deposits continue to register a healthy YoY growth of ~8% in Q2 FY2020 and ~7% in Q1 FY2020, in line with ~8% YoY growth for the PSBs as on June 30, 2019. For Q2 FY2019, the cost of interest-bearing funds stood at 4.86% (4.85% for Q1 FY2020 against the PSB average of 5.12%). Going forward, ICRA expects the strong liability profile of SBI to continue to remain a significant positive to support its credit growth, while maintaining liquidity and profitability.

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[8] Includes capital infusion in IDBI Bank Limited as well

Comfortable capitalisation with strong ability to raise capital –. During FY2019, the bank secured shareholder approval for raising equity capital of up to Rs 20,000 crore by FY2020, depending on internal accruals and growth requirements. During FY2018, SBI shored up its capital position by raising the largest ever equity of Rs. 15,000-crore from the markets and Rs. 8,800-crore of capital infusion by the GoI. Moreover, during FY2019, the bank raised Rs. 4,116-crore of Tier II Bonds and Rs. 7,317-crore of Tier I Bonds (with approval to raise up to Rs 8,000 crore) and Rs 3,104.80 crore of Tier I bonds during H1 FY2020. The bank's standalone capitalisation profile remains comfortable (CET1 10.08%, Tier 1 of 11.31% and CRAR of 13.59%) as on September 30, 2019 against the regulatory requirement[9] of 8.60%, 10.10% and 12.10% respectively as on March 31, 2020. Despite regulatory capital levels being much lower earlier, the CET1 of the bank has not gone below 9.1% during the last four years and hence the capital raising is expected shortly to fund the management guided growth of 10-12% in the loan book during the current year.

With an expected return on equity (RoE) of 7.0-8.0% during FY2020 and 6-8% growth in risk-weighted assets, ICRA expects the Tier I capital requirement at Rs. ~2,000-7,000 crore during H2 FY2020, considering a cushion of 1% over the regulatory Tier-I requirement of 10.1% (including CCB and D-SIB requirement) as on March 31, 2020. Furthermore, the capital on transitioning to the Indian Accounting Standards (IND-AS), which requires loss provisioning on an expected loss on stressed assets rather than time-based provisioning under the current accounting standards, remains uncertain and an area to watch out for. Given its proven track record, it systemic importance and strong ability to raise capital, ICRA expects the bank to maintain strong capitalisation cushions over regulatory levels, which is a shielding factor for its debt capital instruments.

Further, In ICRA's view, SBI's subsidiaries will largely remain self-sufficient in meeting their capital requirements in the near to medium term and with improved profitability going forward and the planned capital raise, the bank will continue to comfortably maintain capital cushions of over 1% above the regulatory capital requirements at a consolidated level while pursuing growth.

Sizeable value of non-core business – SBI, through its various subsidiaries, offers various other financial services like asset management, life insurance, general insurance, credit cards and various other services, including stakes in various regional rural banks. These businesses have been fairly scaled over a period and are among the leading players in their industry segments. During FY2018, SBI divested its stake in SBI Life Insurance Limited, resulting in a profit of Rs. 5,436 crore and during FY2019, SBI divested its stake in the general insurance business to raise Rs 473 crore and Rs 1,087 crore from part divestment of its merchant acquisition business. In September 2019, the bank further divested 4.5% stake (bringing its stake to 57.60% as on September 30, 2019) in SBI Life Insurance Limited, resulting in a profit of Rs. 3,484 crore. SBI may divest its stake in a few more businesses during H2 FY2020 to unlock the value of its subsidiaries and will also aid the profits and capital levels of the bank.

Credit challenges

Weak asset quality likely to improve going forward – SBI's asset quality had deteriorated during FY2018 with the discontinuance of all the earlier schemes for the resolution of stressed assets as well as the merger of eABs that added to the overall slippages. Consequently, its GNPAs and net NPAs (NNPAs) surged to 10.91% and 5.73% respectively as on March 31, 2018. The trend of high slippages continued in FY2019 with absolute slippages at Rs. 39,739 crore (slippage rate of 2.2%). After spiking in Q1 FY2020, fresh gross slippages moderated in Q2 FY2020 at Rs. 9,126 crore, translating in an annualised slippage rate of 1.76% for Q2 FY2020 as compared to 3.21% in Q1 FY2020 and 2.5% in H1 FY2020. During

[9] *Including capital conservation buffer of 2.5% of risk weighted assets (RWAs) and 0.60% of RWA for being a D-SIB from April 1, 2019*

H1 FY2020, slippages were largely on account of the corporate book, which accounted for ~33% of the total slippages, with the retail, agriculture and MSME (RAM) segment accounting for 65% (rest from IBG book), largely because of high slippages in the agriculture segment. Slippages from the agriculture loan book (28% of gross slippages in H2 FY2020) was high due to the prevailing effects of farm loan waivers announced earlier.

Although recoveries/ upgradations and write-offs were sequentially lower, they were higher than the slippages during the quarter, resulting in a decline in gross NPA to Rs. 1.62 lakh crore (7.19%) as on September 30, 2019 from Rs. 1.73 lakh crore (7.53%) as on March 31, 2019. Furthermore, SBI's provision cover on gross NPAs increased from 61.86% as on March 31, 2019 to 62.92% as on September 30, 2019. Accordingly, the net NPA also declined to Rs. 0.60 lakh crore (2.79%) as on September 30, 2019 from Rs. 0.66 lakh crore (3.01%) as on March 31, 2019.

As on September 30, 2019, the bank had a total exposure of ~Rs. 48,249 crore (including write-offs and excluding recoveries already made) towards accounts admitted to the National Company Law Tribunal (NCLT) for insolvency proceedings against which it had a provision of ~93%, which is sufficient in our view. Looking forward, the bank has reported the total SMA-1 and SMA-2 accounts (over Rs. 5 crore but less than Rs. 2,000 crore exposures from banking system) amounting to ~Rs. 9,312-crore (0.45% of standard advances) as on September 30, 2019 as well as the standard exposures amounting to ~Rs. 7,822 crore (~0.37% of standard assets) that are currently being pursued under the ICA route. ICRA expects the slippages to moderate in FY2020 but remain elevated at ~2.5-2.9% of standard advances in FY2020. However, considering a 6-8% growth in advances, recoveries, upgrades and write-offs, the bank's GNPAs are likely to be ~7.0% and NNPAs are likely to reduce to ~2.0% by March 2020. ICRA estimates the credit cost (Credit provision/Average Total Assets) to be at ~1.0% for FY2020.

Modest profitability to keep return metrics muted – The yields on average earning assets inched up to 7.54% during H1 FY2020 as against 7.35% during H1 FY2019 and 7.40% during FY2019. Furthermore, the bank received the benefits of the decreased cost of interest-bearing funds and stable credit-to-deposit ratio, which improved its gross interest spreads from 2.53% in H1 FY2019 to 2.75% in H1 FY2020 and remained higher than 2.56% in FY2019. Supported by higher yields and lower cost of funds, in addition to lower slippages (therefore lower income reversal), the NIMs improved to 2.60% in H1 FY2020 from 2.48% in H1 FY2019 and 2.49% during FY2019. During the H1 FY2020, the bank's non-interest income grew on the back of profit of Rs. 3,484-crore realised upon the sale of a partial investment in SBI Life Insurance Company Limited. Despite higher net interest income (NII) and stable non-interest income, the core operating profitability (before treasury income and credit provisioning) remained stable at 1.47% of ATA during H1 FY2020 against 1.50% during H1 FY2019 and 1.54% during FY2019, because of increase in ATA. Despite elevated credit provisions (1.24% of ATA in H1 FY2020 against 1.30% in H1 FY2019 and 1.51% during FY2019), supported by profits upon divestment and higher operating profit, SBI's net profit in H1 FY2020 stood at Rs. 5,324 crore (RoA of 0.29%, RoE of 5.38%). This was against a net loss of Rs. 3,931 crore in H1 FY2019 (RoA of -0.23%, RoE of –4.09%) and a net profit of Rs. 862 crore in FY2019 (RoA of 0.02% and RoE of 0.44%).

Going forward, given the ongoing challenges with asset quality provisioning and prolonged resolution of key large corporate accounts, ICRA expects profitability to remain subdued in FY2020 despite an improvement over the FY2019 levels. ICRA expects the bank to report a net profit of ~0.4% of RoA during FY2020, resulting in an RoE of ~7.0-8.0% during FY2020.

Liquidity position - Superior

Supported by its strong retail liability franchise, excess SLR holdings of ~6% of net demand and time liabilities, the bank had a comfortable liquidity coverage ratio of 135.06% as on September 30, 2019 as against the regulatory requirement of 100% as on January 1, 2019 onwards. ICRA expects SBI to maintain a comfortable liquidity, given its large proportion of retail deposits and high portfolio of liquid investments. The bank can also avail of liquidity support from the RBI (through reverse repo against excess SLR investments and marginal standing facility mechanism) in case of urgent liquidity needs.

Rating sensitivities

Positive triggers – Not applicable

Negative triggers – Given the dominant position of SBI in the Indian financial sector and its sovereign ownership, ICRA expects SBI to continue to maintain sufficient capitalisation over regulatory levels. While a net NPA/CET of >40% on a sustained basis could be a credit negative for the bank, ICRA expects extraordinary support from the GoI, given the its systemic importance.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Rating Methodology for Banks Impact of Parent or Group Support on an Issuer's Credit Rating
Parent/Group Support	The rating factors in SBI's sovereign ownership and demonstrated track record of capital infusion by the GoI. ICRA expects the GoI to support SBI with capital infusion, if required.
Standalone/Consolidated	For arriving at the rating, ICRA has considered the standalone financials of SBI. However, in line with our limited consolidation approach, we have factored in the capital requirement of the key subsidiaries and overseas branches of the Group, going forward. In ICRA's view, SBI's subsidiaries will largely remain self-sufficient in meeting their capital requirements in the near to medium term.

About the company

The origin of the State Bank of India goes back to the 19th century with the establishment of the Bank of Calcutta in 1806 (redesigned as the Bank of Bengal in 1809), the Bank of Bombay (1840) and the Bank of Madras (1843). These three banks were amalgamated as the Imperial Bank of India in 1921. In 1951, when the country's first Five-Year Plan was launched, the Imperial Bank of India was integrated with other state-owned and state associated banks. An Act was accordingly passed in Parliament in May 1955 and the State Bank of India (SBI) was constituted in July 1955. Later, the State Bank of India (Subsidiary Banks) Act was passed in 1959, enabling SBI to take over seven former state-associated banks as its subsidiaries. Further, State Bank of Saurashtra was merged with SBI in 2008 and State Bank of Indore in 2010. On April 1, 2017, SBI was merged with five of its associate banks (State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala and State Bank of Travancore) and Bharatiya Mahila Bank.

The Government of India held 58.00% stake in the bank as on September 30, 2019. The bank has a wide domestic network of 21,929 branches across India (as on September 30, 2019) and a significant overseas presence.

During H1 FY2020, SBI reported a net profit of Rs. 5,324 crore on total assets of Rs.36.52 lakh crore as compared to a net profit of Rs. 862 crore on total assets of Rs.36.55 lakh crore during FY2019. The bank's Gross NPA% and net NPA% stood at 7.19% and 2.79% respectively as on September 30, 2019 as against 9.95% and 4.84% respectively, as on September 30,

2018. The regulatory capital adequacy ratio stood at 13.59% as on September 30, 2019 (with CET 1 of 10.08% and Tier 1 of 11.31%).

Key financial indicators (audited) – Standalone

	FY2018	FY2019	H1 FY2019	H2 FY2020
Net interest income	74,854	88,349	42,704	47,539
Profit before tax	-15,528	1,607	-5,442	9,123
Profit after tax	-6,547	862	-3,931	5,324
Net advances	1,934,880	2,185,877	1,957,340	2,146,160
Total assets (Excluding revaluation reserves)	3,429,904	3,655,143	3,457,920	3,652,392
% CET 1	9.68%	9.62%	9.65%	10.08%
% Tier 1	10.36%	10.65%	10.36%	11.31%
% CRAR	12.60%	12.72%	12.61%	13.59%
% Net interest margin / Average total assets	2.49%	2.23%	2.48%	2.60%
% Net profit / Average total assets	-0.20%	0.02%	-0.23%	0.29%
% Return on net worth	-3.43%	0.44%	-4.09%	5.38%
% Gross NPAs	10.91%	7.53%	9.95%	7.19%
% Net NPAs	5.73%	3.01%	4.84%	2.79%
% Provision coverage excl. technical write offs	50.38%	61.86%	53.95%	62.92%
% Net NPA/ CET	58.87%	35.55%	48.42%	31.38%

^ ratios are annualised
Amount is Rs. crore; All ratios are as per ICRA calculations.
Source: SBI; ICRA Research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

	Instrument	Type	Current Rating (FY2020) Amount Rated (Rs. crore)	Amount Outstanding (Rs crore)	11-Nov-19	16-Aug-2019	Chronology of Rating History for the past 3 years FY2019 28-Feb-2019	6-Jun-2018	FY2018 18-Jan-2018	3-Oct-2017	FY2017 23-Aug-2016
1	Basel III Compliant Tier I Bonds Programme	LT	3,500	-	[ICRA]AA+ (hyb) Stable; assigned	-	-	-	-	-	-
2	Basel III Compliant Tier I Bonds Programme	LT	11,500	10,422.10^	[ICRA]AA+ (hyb) (Stable); re-affirmed	[ICRA]AA+ (hyb) (stable)	[ICRA]AA+ (hyb) (stable)	[ICRA]AA+ (hyb) (stable)	[ICRA]AA+ (hyb) (stable)	-	-
3	Basel III Compliant Tier II Bonds Programme	LT	15,743	15,243^	[ICRA]AAA (hyb) (stable)	[ICRA]AAA (hyb) (stable)	[ICRA]AAA (hyb) (stable)	[ICRA]AAA (hyb) (stable)	[ICRA]AAA (hyb) (stable)	[ICRA]AAA (hyb) (stable)	[ICRA]AAA (hyb) (stable)
4	Lower Tier II Bonds Programme	LT	500	500	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)	[ICRA]AAA (stable)
5	Term Deposits Programme	MT	NA	NA	MAAA (stable)	MAAA (stable)	MAAA (stable)	MAAA (stable)	MAAA (stable)	MAAA (stable)	MAAA (stable)
6	Certificate of Deposits Programme	ST	41,500	NA	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

^ Balance yet to be placed

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument Details

ISIN No	Instrument Name	Issuing Bank	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Basel III Compliant Tier I Bonds Programme	SBI	Proposed	-	-	4,577.90	[ICRA]AA+(hyb)(stable)
INE062A08199		SBI	22-Mar-19	9.45%	22-Mar-24#	1,251.30	[ICRA]AA+(hyb)(stable)
INE062A08173		SBI	4-Dec-18	9.56%	4-Dec-23#	4,021.00	[ICRA]AA+(hyb)(stable)
INE062A08181		SBI	21-Dec-18	9.37%	21-Dec-23#	2,045.00	[ICRA]AA+(hyb)(stable)
INE062A08215		SBI	30-Aug-19	8.75%	30-Aug-24#	3014.80	[ICRA]AA+(hyb)(stable)
INE062A08074	Basel III Compliant Tier II Bonds Programme	SBI	02-Jan-14	9.69%	02-Jan-24	2,000	[ICRA]AAA(hyb)(stable)
INE062A08082		SBI	23-Dec-15	8.33%	23-Dec-25	4,000	[ICRA]AAA(hyb)(stable)
INE062A08090		SBI	18-Feb-16	8.45%	18-Feb-26	3,000	[ICRA]AAA(hyb)(stable)
INE062A08108		SBI	18-Mar-16	8.45%	18-Mar-26	3,000	[ICRA]AAA(hyb)(stable)
INE062A08116		SBI	21-Mar-16	8.45%	21-Mar-26	500	[ICRA]AAA(hyb)(stable)
INE652A08015		SBoP	22-Jan-15	8.29%	22-Jan-25	950	[ICRA]AAA(hyb)(stable)
INE648A08013		SBBJ	20-Mar-15	8.30%	20-Mar-25	200	[ICRA]AAA(hyb)(stable)
INE649A08029		SBH	30-Dec-15	8.40%	30-Dec-25	500	[ICRA]AAA(hyb)(stable)
INE649A08037		SBH	08-Feb-16	8.45%	08-Feb-26	200	[ICRA]AAA(hyb)(stable)
INE649A09126		SBH	31-Mar-15	8.32%	31-Mar-25	393	[ICRA]AAA(hyb)(stable)
INE651A08041		SBM	31-Dec-15	8.40%	31-Dec-25	300	[ICRA]AAA(hyb)(stable)
INE651A08058		SBM	18-Jan-16	8.45%	18-Jan-26	200	[ICRA]AAA(hyb)(stable)
NA		SBI	Proposed	-	-	500	[ICRA]AAA(hyb)(stable)
INE648A09078	Basel II Compliant Lower Tier II Bonds Programme	SBBJ	20-Mar-12	9.02%	20-Mar-22	500	[ICRA]AAA(stable)
NA	Medium Term Deposits Programme		-	-	-	-	MAAA(stable)
NA	Certificate of Deposits Programme		-	-	7-365 days	41,500	[ICRA]A1+

Source: SBI; # First call option date

SBoP – State Bank of Patiala, SBBJ – State Bank of Bikaner and Jaipur, SBM – State bank of Mysore, SBoT – State Bank of Travancore, SBH – State Bank of Hyderabad

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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