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Phiroje Jeejeebhoy Towers,
25th Floor, Dalal Street,
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The Listing Department,
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13.02.2026

Madam / Sir,

**Disclosure under Regulation 30 of SEBI (LODR) Regulations, 2015
Transcript of Analyst Meet**

Pursuant to Regulation 30 read with Para A Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit the transcript of the Q3FY26 post results Analyst Meet held on 07.02.2026.

Yours faithfully,



**(Aruna N Dak)
DGM (Compliance & Company Secretary)**

Encl: A/a

bank.sbi

↳ +91 22 2274 0841 / 49
↳ +91 22 2274 1476 / 74 / 31
↳ +91 22 2274 2842
✉ +91 22 2285 5348
✉ +91 22 2274 0527

शेयर एवं बॉन्ड विभाग,
कॉर्पोरेट केन्द्र,
14वां माळा, स्टेट बँक भवन,
मादाम कामा रोड,
मुंबई – 400029, भारत

शेयर आणि बॉन्ड विभाग,
कारपोरेट केन्द्र,
14वां तल, स्टेट बँक भवन,
मादाम कामा रोड,
मुंबई – 400029, भारत

Shares & Bonds Dept,
Corporate Centre,
14thFloor, State Bank Bhavan,
Madame Cama Road,
Mumbai - 400021, India

Q3FY26

ANALYST MEET

TRANSCRIPT

07.02.2026

MANAGEMENT

MR. C S SETTY
CHAIRMAN, STATE BANK OF INDIA

MR. ASHWINI KUMAR TEWARI
MANAGING DIRECTOR (CORPORATE BANKING AND SUBSIDIARIES)

MR. RANA ASHUTOSH KUMAR SINGH
MANAGING DIRECTOR (INTERNATIONAL BANKING, GLOBAL MARKETS & TECHNOLOGY)

MR. RAMA MOHAN RAO AMARA
MANAGING DIRECTOR (RETAIL BUSINESS & OPERATIONS)

MR. RAVI RANJAN
MANAGING DIRECTOR (RISK, COMPLIANCE AND STRESSED ASSETS RESOLUTION GROUP)

MR. ANINDYA SUNDER PAUL
DEPUTY MANAGING DIRECTOR (FINANCE)

MR. A RAVI SHANKAR
CHIEF GENERAL MANAGER (FINANCIAL CONTROL)

MR. PAWAN KUMAR
GENERAL MANAGER (PERFORMANCE, PLANNING & REVIEW)

Mr. Pawan Kumar - General Manager (Performance, Planning and Review), State Bank of India

Good evening, ladies and gentlemen.

I am Pawan Kumar - General Manager, Performance Planning and Review Department of the Bank. On behalf of the State Bank of India, I am delighted to welcome the analysts, investors, colleagues and everyone present here today on the occasion of the declaration of the Q3 FY26 results of the Bank.

I also extend a very warm welcome to all the people who are accessing the event through our live webcast.

We have with us, on the stage, our Chairman Sir - Shri C.S. Setty, our Managing Director, Corporate Banking and Subsidiaries - Shri Ashwini Kumar Tewari, our Managing Director, International Banking, Global Markets and Technology - Shri Rana Ashutosh Kumar Singh, our Managing Director, Retail Business and Operations - Shri Rama Mohan Rao Amara, our Managing Director, Risk Compliance and SARG - Shri Ravi Ranjan, our Deputy Managing Director, Finance - Shri Anindya Sunder Paul, Deputy Managing Directors heading various verticals and Managing Directors of our subsidiaries are seated in the front rows of this hall. We are also joined by Chief General Managers of different verticals/business groups, General Managers and other senior officials of the circles and various offices are connected through our live webcast.

To carry forward the proceedings, I request our Chairman Sir to give a summary of the Bank's Q3 FY26 performance and the strategic initiatives undertaken. We shall thereafter straight away go to the Question & Answer session. However, before I request Chairman Sir, I would like to read out the Safe Harbour Statement.

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

Thank you. Now, I would request Chairman Sir for his opening remarks. Chairman Sir, please.

Mr. C.S. Setty – Chairman, State Bank of India

Thank you.

Good evening, ladies and gentlemen. Thank you for joining us for today's Analyst Meet following the announcement of the Bank's Q3 FY26 results.

At SBI, we have remained consistently focused on strengthening the fundamentals that create sustainable value for all stakeholders. Our performance in the Q3 FY26 reflects continuity, consistency and the enduring strength of our franchise. I will begin with a brief overview of the global and domestic economic environment, followed by an update on the Bank's performance.

Despite heightened geopolitical tensions and elevated global uncertainty, the Indian economy remains well-positioned, supported by strong macroeconomic fundamentals and a benign inflation environment. Global growth is projected at around 3.3% in 2025-26, while India continues to outperform, with real GDP growth expected at about 7.4% in FY26. India's potential growth remains close to 7%, with FY27 growth projected in the range of 6.8% to 7.2%. Growth is expected to remain resilient in FY27.

The Union budget reinforces the government's commitment to inclusive and accelerated growth under the vision of Viksit Bharat 2047, with a proposed capital expenditure of Rs 12.2 trillion, providing strong support to infrastructure and investment. On the external front, services exports are expected to remain resilient, while the merchandise exports should benefit from the recently concluded and prospective trade agreements, although geopolitical risk and global market volatility remain key downside risks. The Indian financial system continues to remain strong and resilient, with robust capital, liquidity, asset quality and profitability across banks and NBFCs.

Alongside the numbers, we are strengthening the structural drivers of sustainable profitability, productivity, capital efficiency and risk-adjusted growth commensurate with SBI's scale. Our long-term ambition is aligned with Viksit Bharat 2047, and our strategy is anchored around a long-term horizon with continuous investments in people, processes, products and technology.

The new YONO represents a fundamental redesign of our digital operating model through YONOisation of the bank. Beyond acquisition, the focus is on lowering cost to serve, enhancing customer value and improving lifetime value. Scaling YONO from 10 crore registered users to 20 crores over the next 2 to 3 years is expected to support operating leverage and ROA sustainability.

CHAKRA, our Centre of Excellence for Sunrise Sectors, institutionalises our ability to support prudent capital allocation in emerging segments. We have initiated, as I mentioned last time, a process simplification and a phased deployment of nearly 10,000 Seva Sarathis, our floor coordinators at high-footfall branches, for migrating routine transactions through digital channels. Collectively, these initiatives support consistent performance across cycles with growth that is profitable, well-capitalised and prudently risk managed.

On the performance front, I am happy to share that the bank has declared the highest-ever quarterly net profit of Rs. 21,028 crore and total business have crossed Rs. 103 trillion, reflecting customers' continued trust in us. The net profit is up by 24.49% year-on-year, driven by higher operating profitability and lower credit costs at 0.29%. The operating profit is Rs. 32,862 crores, up 39.54% year-on-year. The net interest income is Rs. 45,190 crores, up 9% year-on-year, while the domestic NIM stands at 3.12% for the quarter.

Bank's total deposit growth has remained healthy with 9.02% year-on-year, along with current account registering growth in double digits at 10.32%, with CASA ratio at 39.13% despite very competitive market environment. Retail term deposits have grown by a robust 14.54%. Deposits of our foreign offices have also grown well at 8.32% year-on-year.

The credit growth was up 15.14% year-on-year as of December '25, which was driven by all the segments registering growth. The domestic credit deposit ratio was at 72.98% at the end of Q3, an improvement of 404 basis points year-on-year. All the components of RAM – Retail, Agriculture and SME, have witnessed robust growth. The corporate credit has seen a rebound and has grown by 13.37%. The asset quality continues to be industry-leading, with gross NPAs at 1.57%, improving by 50 basis points, and net NPA at 0.39%, improving by 14 basis points. Notably, the PCR was up 88 basis points year-on-year to 75.54%. The NPAs continue to be at its lowest level in over two decades, which demonstrates the quality of our loan portfolio, disciplined credit practices, underwriting capability and sustained recoveries.

The bank remains well capitalised, and the capital adequacy ratio has improved by 101 basis points year-on-year and stands at 14.04%, which is well above the regulatory minimum requirements. Further, our subsidiaries continue to demonstrate consistent performance and strengthen value for all our stakeholders with their expansion of digital channels, innovative products and enhanced customer experience.

On the digital front, we have continued to make steady and meaningful progress. We see digital transformation as a continuous journey of evolution, and YONO remains central to this journey, with over 9.65 crore registered customers and registrations for our new YONO crossing the 3 crore mark within a short period of one month since its launch, reflecting strong and sustained adoption. Digital channels are now firmly embedded in our customers' behaviour.

While we are encouraged by our performance in Q3, we remain mindful of structural shifts in the financial system, particularly the increasing financialization of household savings. Over time, this trend will gradually reshape bank balance sheets towards more diversified and market-based funding, supported by greater innovation and deeper integration of digital platforms. At SBI, we are proactively adapting by strengthening our liability franchise, increasing our share of current accounts, and leveraging YONO to enhance customer acquisition and retention. Our strategy is forward-looking, focused on technology and analytics to remain competitive and future-ready. We remain sharply focused on efficiency and return metrics, with our ROA consistently greater than 1% and ROE at 20.68% at the end of Q3.

SBI is among the very few global financial institutions capable of sustaining a ROA of over 1% at this scale, with an advances book of approximately Rs 47 trillion. Investments of about Rs 17 trillion, deposits of around Rs 57 trillion and a balance sheet size of nearly Rs 72 trillion. Our strong asset quality reflects disciplined, risk-adjusted lending and portfolio resilience, while robust internal capital generation supports future CET1 accretion and long-term growth. Our people remain central to this journey, supported through focused training, continuous upskilling and an inclusive work culture, ensuring a skilled and motivated workforce in a rapidly evolving banking landscape.

To conclude, I would like to thank all of you once again for your continued support and engagement with the bank. Our priorities remain firmly aligned with supporting India's economic growth, while creating long-term sustainable value for all stakeholders. My team and I will now be happy to take your questions. Thank you.

Mr. Pawan Kumar - General Manager (Performance, Planning and Review), State Bank of India

Thank you, Chairman Sir.

We now invite questions from the audience. For the benefit of all, we request you to kindly mention your name and company before asking the questions. To accommodate all the questions, we request you to restrict your questions to maximum two at a time. Also, kindly restrict your questions to the financial results only and no questions be asked about specific accounts, please. In case you have additional questions, the same can be asked at the end. We now proceed with the Question & Answer session.

Mr. Ashok Ajmera – Chairman, Ajcon Global

Compliments to you, Sir, for yet another good quarter, rather one of the best quarter, profitability point of view, even asset quality point of view and even business growth point of view, which in the earlier 1st and 2nd Quarter was, I mean, not subdued but better than that in this quarter compliments for the same.

Having said that, on profitability, in the last quarter we had that exceptional profit of the sale of Yes Bank shares. But in spite of that, this quarter's profit is matching the last quarter's profit. The main component which I see here is that on investment profit and revaluation. Baseline income has gone up by Rs. 5,154 crores against Rs. 2,897 crores, and also the forex and derivatives. So, about Rs. 2,500 to Rs. 3,000 is that component. So, what has contributed to this profit, because, but for that Rs. 4,500 crores of Yes Bank, the profit should have been lower in this quarter as compared to last quarter of about Rs. 3,000 crores. This is first.

Mr. C S Setty – Chairman, State Bank of India

First question. I am just waiting for the next question, Ajmera saab. Please, go ahead. You want me to answer this first and then we will move on?

Mr. Ashok Ajmera – Chairman, Ajcon Global

If he permits me, shall I?

Mr. Pawan Kumar - General Manager (Performance, Planning and Review), State Bank of India

One more question, please.

Mr. Ashok Ajmera – Chairman, Ajcon Global

Okay. Another one, that in the last quarter, the business growth was very good, especially the credit growth. And now having achieved that, would you revise your targets for the credit especially so as to have the proper estimate of the profitability for the whole of FY26 going forward when the bank is doing well?

One or two more things, that our loan book has grown phenomenally at a very high speed, as well as the personal loans have also grown. So, can you give some color going forward on the overall credit growth segment-wise?

And one observation is that this non-NPA provision of about Rs. 30,642 crores, this is basically beyond the requirement as per the IRAC. So, is it to take care of the ECL or to take care of any chunky account which you are looking, or is it a floating provision you want to continue and rather increase it in future?

Mr. C S Setty – Chairman, State Bank of India

Thank you, Ajmera saab for the good words which you mentioned. The profitability in Q3 has come from many levers. I did mention in Q1 and Q2 that both on the growth side as well as on the profitability side, SBI has many levers and we will continue to use them. If you see our fee-based income, I think most of these segments have shown good growth i.e. cross-sell, up-sell, government business, LC business also is remaining, and fee-based income in terms of processing charges, and recovering written off accounts, and more importantly the credit growth across the segments. Apart from that, we also have focused on moderating the cost of resources, which has given the uptick in the net interest income. Net interest income growth of 9% is a combination of both, containing the cost of resources as well as the credit growth which has happened.

If I have to talk about one-off, I think the one item which is a special dividend we have received, around Rs. 2,200 crores from SBI Mutual Fund. Even to net off this one-off, I think we have done fairly well in every area. And also, the modest credit costs contribute to the uptick in the profitability.

We also focused on moderating the operating expenses. While our staff costs are broadly rigid, we try to reduce the cost of overheads and that also has been one of the reasons why you see the good profitability.

And the credit growth advice, we had given 12% to 14% credit guidance earlier, we are revising that upwards to 13% to 15% for the current quarter. We will give a full year guidance when we meet again in Q1. But for the current year, this current quarter we are revising our credit growth estimate to 13% to 15% based on the trend which we have seen in the current quarter so far.

Segment-wise credit growth, I think the growth has been secular, if you see the slides. Particularly, we had given the guidance that we would be having a double-digit corporate credit growth in Q3 and we hope to continue that double-digit growth in the corporate side in Q4 also, which means that RAM would significantly be contributing to the growth. We also see that corporate book growing in double-digits, which means that our guidance of 13% to 15% is coming from all the segments.

Non-NPA provisions, the COVID provision, Rs. 3,500 crores is continuing, and there are some proactive provisions which we have done account specific, but this broadly is also standard asset provision. So, the idea of presenting this is that we have the ability to take care of any untoward incidents and the way we want to manage the balance sheet. It's not that this is being built for the ECL, that's not the idea.

Mr. Ashok Ajmera – Chairman, Ajcon Global

Just one more point. Sir, we have given the break-up of the AUCA account of Rs. 1,62,464 crores. Beyond 10 years is Rs.23,000 odd crores. Five years, Rs. 87,000 crores, and below five years, Rs. 51,000 crores. So, in order to get the proper colour for the recovery from the written off accounts, what kind of strategy and efforts which we are having? Like beyond 10 years, what is the possibility? What kind of those accounts are between 5 and 10? And below 5, why not we have a higher percentage of recovery? Because if you see the underwriting quality in during last 5 years, I think your entire current 5 years loan book to NPA, just a guess work, maybe even less than 0.75 or 1%. I mean, the way I look at the current thing. So, from recovery point of view, 5 years from the date of NPA to that beyond 5 years. But still more recovery or better chances. So, how do we look at it?

Mr. C.S. Setty – Chairman, State Bank of India

In the recent slippages, you would definitely have better recoveries. In fact, much of the run rate what we are witnessing around Rs. 2,000 crores per quarter, is also coming from the recent slippages i.e. recent write offs, which means around 2 to 3 year old. You're right, I think less than 5 year written off accounts will have a better recovery. But the most appropriate way is to look at the portfolio level. And what we have given earlier guidance also, we are still seeking 6 to 8% recovery, which is possible in this portfolio, not beyond that. While the age-wise there could be some higher recovery and low recovery or there could not be any recovery at all in some of the accounts, it is better to assume that we are looking at 6 to 8% recovery overall. So, I think we still stick to that guidance, Ajmera saab.

Mr. Ashok Ajmera – Chairman, Ajcon Global

Thank you, sir.

Ms. Mahrukh Adajania – Executive Director (Equity Research), Nuvama

Hello sir, congratulations. Sir, I had a couple of questions. Firstly, in terms of your NIM outlook, longer term and even for the 4th Quarter, earlier I think there was a guidance that NIM would be about 3% in the 4th Quarter. So, does that still hold? And is there scope for cost of funds to come down further? That's part of the same question. So, NIM outlook for 4th Quarter and longer term with focus on cost of funds.

And secondly, in fees, the CVE income has grown very sharply. So, any comments you wanted to make on that? Because it's a sharp growth QoQ and YoY.

And just one more question, what would have been the interest on income tax refunds for this quarter and for last quarter?

Mr. C.S. Setty – Chairman, State Bank of India

On the NIM front, we're still sticking, without calling it a short term, long term NIM. We have said that the exit NIM for the current year would be about 3%, and our long-term

guidance is 3% through the cycles. I think we'll stick to that. There could be some upside here and there, but it is fair to assume that about 3% guidance holds good, both for the Q4, that means FY 26 exit NIM and FY 27-28 NIM also. We are sticking to that 3% guidance.

On the CVE income, there has been good growth in terms of Life Insurance. The GST benefit we have seen. The number of policies sold has also increased, which has contributed. And also, the trail income from the mutual fund has gone up. So, there is a secular movement in terms of the CVE. CVE is basically the cross-sale income. That has been a good growth story. We also enhanced the number of products which are made available through our counters and on the YONO channel. That also has contributed to the growth in the CVE income.

Interest on the IT refund, you have the numbers ready, please.

Mr. A. S. Paul – Deputy Managing Director (Finance), State Bank of India

Quarter 3, interest on income tax refund was Rs. 769 crores and the similar amount last quarter was Rs. 372 crores.

Ms. Mahrukh Adajania – Executive Director (Equity Research), Nuvama

Okay, sir. And cost of funds? Scope for deposit cost to come down further?

Mr. C.S. Setty – Chairman, State Bank of India

I think, what we have done strategically is that we focus more on the retail deposits, we have not moved to the wholesale deposits. Even in the wholesale deposits, we moved more into bulk card rate deposits. That means they are almost equivalent to the retail term deposit rates. We have seen a good growth on the card rate, we have not gone aggressive on the differential interest rate or high-cost deposits. That has also helped us in terms of containing the costs. But we should also remember that 39% CASA at this level is also contributing to bringing down the costs. We got the full benefit of Savings Bank reduction in interest rate to 2.5. Current account 10% growth rate is also helping us to contain the cost of funds. Broadly, the cost of funds will remain at this level for the Q4 also. We do not want to go beyond Q4, I think we will take a call in the Q1.

We may have to see how the credit growth is going to play out because all these trade deals are extremely positive. So, there would be definitely an improved credit climate. While Q1 of any financial year is generally a slow quarter, we will take a call in terms of how our deposit strategy will play out, while we have adequate liquidity and as well as capital buffers to support the credit growth.

Ms. Mahrukh Adajania – Executive Director (Equity Research), Nuvama

Thank you, sir.

Mr. Jai Mundhra – ICICI Securities

Sir, just continuing on the previous question, you said that COF (cost of funds) may remain stable, right? Is it because the bulk deposit rates in the system, they have actually shot up in the last 2-3 months? Is that one of the reasons, because otherwise, your retail deposits should keep repricing, right? Because, what you had done in June-July months, that should continue to flow through. So, why would the cost of funds be stable until and unless there are some moving parts, some portion of the deposits where the rates are a bit higher?

Mr. C.S. Setty – Chairman, State Bank of India

No, the retail term deposits are also high even after repricing. See, broadly, the book has got repriced. Only last reduction in interest rate will be available for another 6 to 8 months, probably the repricing will happen. What I am seeing is that the stabilization of the interest rates on the retail term deposits also, there is nothing much we will be able to reduce. And that shows again, what kind of deposit mobilization we need to do going forward if the credit growth comes. So, Q4, I think broadly the numbers remains. There could be some repricing going forward, because what we have done in the last quarter, the interest rate reduction, will play out for some time. But I broadly believe that the reduction in the cost of funds is unlikely. We will be maintaining at this level, maybe if we are able to mobilize a little more current accounts, generally which happens in the Q4, it may help us to moderate the cost of funds.

Mr. Jai Mundhra – ICICI Securities

And Sir, on Xpress credit, now the portfolio has grown at 3-4% QoQ. We have been maintaining that there is a decent good pickup in the disbursement. Sir, actually what would help is, if you can give the absolute rupees crore number in disbursement, because that will give the trend line. Because the portfolio behaviour may be slowly to see the growth, but if you can share the disbursement number in Xpress credit, that will give more clarity.

Mr. C.S. Setty – Chairman, State Bank of India

We do not disclose what kind of disbursements we do on each product. I think that is not appropriate. What we are seeking is that we were hoping to have a double-digit growth in Xpress credit. There seems to be some movement towards gold loan, may not be significant, some of these corporate salary packages, as these products are available only for the salary account holders. We are seeing that part of that salary holder segment has availed gold loan, which they would have otherwise taken the Xpress credit. It is for two reasons: One is the value of gold has gone up, so the amount of gold loan which they can get has increased, and the rate differential is significant. So, that has probably not resulted in the expected growth rate. But the very fact that we are able to manage this portfolio at this level, which means that our sanctions/disbursements are robust.

Mr. Jai Mundhra – ICICI Securities

And lastly on gold loan, I think there is a 95% YoY increase in the portfolio. Is this entire organic or there is some reclassification from Agri-gold to retail gold? And what are the

risk mitigants here in the sense that what is the origination LTV and maybe the book LTV, because prices have been rising one way only?

Mr. C.S. Setty – Chairman, State Bank of India

We do a deep dive on this portfolio every day. We monitor the LTVs. There was some shift from Agri-gold loan to personal gold loan, but it shifted back after RBI clarified on the Agri-gold loan. I think that shift is not happening too much. So, I think that is not a major worry.

And the personal gold loan LTVs, it's not only about the portfolio LTV. Sometimes portfolio LTV could be misleading, because some two years ago somebody has taken the gold loan when the price was low, then the outstanding versus the value would be significantly lower. But we bucket them, both on the vintage as well as in terms of the amount. We see that the LTVs are extremely modest and we have sufficient room in terms of the LTVs. For instance, I think in Agri-gold loan, the average LTV is 54.89%, and in case of personal gold loan, it is 51%. Even if you take the latest vintage also, we don't go overboard on the LTVs, there is an adequate margin available on them.

Another data point which I would like to give to you is that the number of gold loans auctioned is just about 20-30 in a huge portfolio of gold loans what we have. That means even if the price fluctuation is there or the margin, if you have to ask someone the margin call, we do not call it margin call, but we found that nobody allows this account to become NPA. They just ensure that they pay off the loan. So, this portfolio is holding up very well. There is no concern on this.

Mr. Jai Mundhra – ICICI Securities

Sir, what is the Agri-gold loan book, sir, if you may have? Retail we have given.

Mr. C.S. Setty – Chairman, State Bank of India

Agri-gold loan as on December is Rs. 1.44 Lakh crores.

Mr. Jai Mundhra – ICICI Securities

Thank you and all the very best, sir.

Mr. Sushil Choksey – Indus Equity Advisors

First of all, congratulations to team SBI for a great performance. Sir, you had rightly called that the RBI reduction cycle has bottomed out. It may not look anything negative, and the interest rates can be flat upwards now. Current volatility is led by global factors mainly. GST has been a benefit, budget has been a benefit, the EU and the US trade would benefit. How are you seeing the scenario balancing on the rate cycle and the credit outlook based on all these parameters in the current year?

Mr. C.S. Setty – Chairman, State Bank of India

On the credit side, I think it's extremely positive. One is, the system itself will get benefited with the positivity, which is created on the trade deals, on the GST, on the income tax, on the monetary measures what have been announced. More importantly, SBI is well positioned in capitalizing on all these positive developments. That is also one of the reasons why I have given the revised guidance on the credit growth. So, if you see even budgetary announcements on the infrastructure side, and we are also looking at what kind of infrastructure guarantee which will come. MSME, for instance, the CHAKRA what I mentioned in terms of the sunrise sectors, many sectors have been mentioned in the budget itself. That means, our thought process is completely aligned with what the government initiatives are. So, to that extent, I think SBI is well positioned.

We also are a very large player in MSME with 15 to 16% market share and growing. I believe that SBI will get benefited in supporting MSME growth, on the champion MSMEs. Even before the government announced champion MSMEs, internally, we have started categorizing, which are these MSMEs which have huge growth potential. We try to categorize them into platinum, gold, and support them proactively in terms of their growth technology and the market linkages. So, many things what we are trying to do with MSME, aligns well with the positive developments which have happened.

So, I believe that we are on the right path in terms of the credit growth, and we are on the right path in terms of, both in India as well as cross-border opportunities which will emerge on account of these trade deals.

Mr. Sushil Choksey – Indus Equity Advisors

Second question sir, led by all the factors, are you sensing, government has given positive policy on data centre, which means renewable will be required on a larger number. Nuclear is being talked about. Shipbuilding is being spoken about. Are we getting any green shoots early, whether it's SBI capital markets assessing or internally on credit? That ticket size which used to be Rs. 2,000 – Rs. 5,000 crore project would be Rs. 30,000 – Rs. 50,000 crore kind of projects?

Mr. C.S. Setty – Chairman, State Bank of India

We are active in data centre financing. The mega data centres which are announced, still have to come with a business plan. But I think wherever data centre capacities are being created, we are part of that journey.

In terms of the other sectors, you are right, I think there will be a good amount of demand for green energy for these data centres. Renewable energy is one of the important segments which we are focusing on. Incidentally, our green portfolio has reached Rs. 1 lakh crores, which constitutes renewable energy predominantly. Which means that these growth opportunities are definitely being considered by us.

Mr. Sushil Choksey – Indus Equity Advisors

Sir, your subsidiaries' contribution to the balance sheet is on uptick, specifically led by dividend, you said, of SBI mutual fund. Is this number on a higher growth trajectory or it will remain flat?

Mr. C.S. Setty – Chairman, State Bank of India

Higher growth trajectory?

Mr. Sushil Choksey – Indus Equity Advisors

It will show higher contribution or...?

Mr. C.S. Setty – Chairman, State Bank of India

We definitely hope that. You know, the subsidies are doing very well. And they are also investing heavily into digitalization, customer-oriented initiatives. I don't know how much SBI Life talks to the investors, I would like to point out one major activity SBI Life does beyond the profits i.e. Prime Minister's Jeevan Jyoti Bima Yojana. The PMJJBY, which is the micro-insurance which is provided to financial inclusion customers through the banking channel SBI, we have 47% market share in the PMJJBY and fully anchored by SBI Life. And there is absolutely no complaints in terms of settlement. They are at the top of the category in terms of providing customer service. Service at scale, is something what SBI Life is able to achieve, and Banca is going to play an important role in this.

We are also seeing the same trend continuing in non-life, mutual funds, credit card business. The combination of their digitalisation, their underwriting processes, their customer orientation is helping us to increase our CVE income also.

Mr. Sushil Choksey – Indus Equity Advisors

Sir, can this income double in 3 years?

Mr. C.S. Setty – Chairman, State Bank of India

Our idea is that we set a target of billion dollars for CVE income. If the rupee stays where it is, I think we should be able to reach that \$1 billion CVE income soon.

Mr. Sushil Choksey – Indus Equity Advisors

Thank you for answering all my questions.

Mr. Chintan Joshi – Autonomous

Sir, can we remain on that topic of growth? With the trade deal, you know, there's a scope for corporate led expansion, and you have the capacity on your balance sheet to grow. Where could you take your LDR ratio if there's credit demand coming, be it trade deals or improving economy? And within that, if you do grow corporate loans, do they act as a drag on your NIMs? Or are you able to link it with CASA growth and get it back some other way? Because traditionally, corporate loans would be a drag on your NIMs. That would be helpful colour on that topic.

Mr. C.S. Setty – Chairman, State Bank of India

If you see in the Q3 performance, we have had almost more than 15% corporate credit growth. We have not compromised on the margins. We have ensured that the NIM guidance what we have given is maintained despite 13% credit growth coming from the corporate side, which means that, philosophy of pricing the risk properly will continue. I think we never deviate from that. We also have ensured that the ecosystem banking in the corporate side is strengthened further.

Today, I just want to tell you an inside story that any corporate underwriting today, we have a checklist of 22 items which we monitor, whether we have clear engagement on these 22 non-funding areas. Whether it is cash management, whether it is salary accounts, whether it is letters of credit or foreign exchange. So, the awareness on the operating level has moved from corporate lending to corporate banking, in a very significant manner. And the sensitivity towards this engagement is intense now. Which gives us confidence that even if we have to compromise on some pricing on a corporate, it would be purely based on what is the value which we are generating from the corporate. So, I do not think we should have any concern in terms of margin compression with the corporate growth book coming back in a very significant manner, as we approved in Q3 also. We are very sensitive to the value creation from our corporate relationship.

And I am very glad to say that corporates are also responding in a similar fashion. Some of the products which they were never using from SBI, we have improved the product profile, product delivery, and then they are too happy to take the products from us. It is a long journey, but I think we are there in the right direction.

On the LDRs, I mean the credit deposit ratio, I think we do not want to give a guidance. Obviously, it is an evolving situation. In the short term, we are very confident that the credit growth, whatever we are envisaging 13% - 15% will be comfortably be met by our liquidity as well as capital ratios.

Mr. Chintan Joshi – Autonomous

Sir, the reason I asked the question was because there was a 3.2% increase in LDR ratio this quarter and NIMs are broadly flat. Now, I understand your international NIMs are down, but a 3.2% increase in LDR should be associated with better NIMs. That is why I asked that question.

Mr. C.S. Setty – Chairman, State Bank of India

3.2% LDR is also coming from the working capital drawdown. Typically, working capital loans do not give the yield pickup as much as you expect. It is not coming from the term loans alone. So, the working capital loans are reasonably priced, and these are high quality exposures, which is also one of the reasons.

And one more important thing which I keep talking about is, you look at our RWAs. Despite this growth, we have not significantly enhanced our RWAs. That is also one of the reasons why you do not see the commensurate pickup in our margins. We play very cautiously on the risk side also.

Mr. Chintan Joshi – Autonomous Research:

Sir, second question was on the question from Jai on cost of funds. Wouldn't it be a failure of transmission if the Q4 deposits from last year did not reprice this year and gave a benefit on cost of funds? Because we have seen a December rate cut that is struggling to pass-through on the liability side, not just from what you are indicating, but also for the system, which leads to margin contraction because the EBLR book reprices. So, how do you see that puzzle? There should be transmission from that fourth quarter last year to the fourth quarter this year, would be my guess.

Mr. C.S. Setty – Chairman, State Bank of India

December rate cut has not resulted in any repricing of deposits.

Mr. Chintan Joshi – Autonomous

No, it has not.

Mr. C.S. Setty – Chairman, State Bank of India

So, technically that transmission did not happen on the deposit side. Well, it had happened on the asset side. So, the overall transmission if you see, I think the Governor has also mentioned on the stock it is only 45 basis point. And on the incremental deposits, I think the passing on of the interest rate on the deposits would be around 90-95 basis points is something what happened. The full transmission is unlikely to happen on the deposit side. So, the repricing which benefited, I think 75 to 80% repricing has already happened.

Mr. Chintan Joshi – Autonomous

Sir, exactly the point, 45 going to 80 should reflect in your balance sheet next quarter as well.

Mr. C.S. Setty – Chairman, State Bank of India

It will reflect in this quarter definitely. But it may not be very significant, that is what I was trying to say.

Mr. Chintan Joshi – Autonomous Research:

Thank you.

Mr. Manoj Alimchandani

Excellent Q3 numbers, just magic. Hats off to the management team and all the employees. Really wonderful.

Now, couple of questions. One is, would like to know your thoughts, particularly for the branch expansion globally in the United States and EU with the kind of sentiments totally turning around, it seems we should have a greater share of the global pie in business. Apparently banking we are at the top, and you also are number one consumer banker globally, right. We talked about that.

So, your thoughts, we would expect it should be, may not be too early, just your thoughts ultimately you have to execute it. There could be a good scope for substantial increase in number of branches/regions globally. It can I think maybe a scope for more than doubling in the next three years.

Next thing is our leadership, has been contributing to banking sector in a great way, particularly recent couple of last month's announcements, our MDs are heading - Arijit Basu, Chairman of IndusInd Bank, number five bank in India, and Vijay also the CEO of Yes Bank.

Mr. C.S. Setty – Chairman, State Bank of India

Vinay.

Mr. Manoj Alimchandani

So, two great contributions number five and number six contributed by SBI. But surprisingly, we were all wondering what happened that we need a CFO from outside? Advertisement for a contract arrangement came, it came out of the blue. When we have the topmost leaders, we need to contribute CFOs to the top 10 banks globally. So, if you can just share your thoughts on that.

And next is our SEBI Chairman talked about a good thing, intent on corporate bond market. It has been a struggle we have seen for last 25 years. But he in fact said there is huge scope for multiplying the bond market. Now, here what could be the thing we can gain significantly by way of investment in corporate bonds, because we get about 50 to 150 basis points better rates in investment in corporate bonds than in lending. Of course, it would also have an impact on the fund raise but in deposit raise we are again much ahead of the curve. So, if you can share your thoughts on this.

And of course, there is another latest news which came in mutual fund. Yesterday, the global head of BlackRock was here, we are talking about multiplying the mutual fund industry by two in five years. So, that could be opportunity for us also because we are running the largest mutual fund. In fact, if we delay the IPO and come after five years, we can get three times the market cap, based on these kinds of things. Your thought process on this.

Mr. C.S. Setty – Chairman, State Bank of India

Thank you, very much. I think on the expansion, overseas expansion, most of the geographies barring New Zealand, where the FTAs or trade deals are signed, we have a good presence and very large presence. For example, US - New York branch is the largest operations for us. In these jurisdictions, we are broadly the wholesale bankers. I believe that trade deals are going to help us mostly in the corporate and MSME funding, which is an opportunity which is available locally here. We would like to definitely take that opportunity. Any of these corporates accessing the overseas market, we have presence across geographies here. Our ability to fund those transactions either by way of trade finance or by way of ECBs is very large. I do not think we need to look at branch expansion.

In the EU area, we have two fairly large branches, one in Frankfurt and in Antwerp. These branches are taking care of the overall requirements. In the US, if you see, we have wholesale banks, both in New York and Chicago, and Los Angeles, and we have retail presence in the whole of California. That is where I feel that some expansion in the retail side is potentially possible. We are expanding, for instance, we will soon be opening a branch of SBI-California in Dallas, because they can open multi-state branches. So, I think we will be selective in terms of physical expansion.

We also would like to use our YONO Global, which is a digital app across the geographies, almost in 11 to 12 geographies, we have already launched YONO Global. We would like to build retail presence through YONO Global, not by opening the physical branches. So, on the overseas expansion, I do not think we will be aggressive, I want to be clear on that. If opportunities arise in the new geographies, we will definitely look at it.

The corporate bond market, I fully agree with you on that. We have been talking about corporate bond market deepening for so many years. There are many reasons. But it is time now the corporate bond market has to become vibrant. Our participation in corporate bond market is based on what is our credit growth. If there is a loan growth requirement, our priority is to fund that loan growth. But we also have a mix. If you see all our large corporates have loan limits as well as investment limits, which facilitate us to put the corporate NCD subscriptions.

But one more development what probably would help in terms of further strengthening is the partial credit enhancement, which is now allowed by the RBI. The partial credit enhancement will enable slightly lower rated corporates to access the bond market. Today, it is typically dominated by AAA companies. So, how do we bring A rated or AA rated companies into bond market, through partial credit enhancement is something what we are working on.

And the CFO, I am sure that you made that comment on the lighter note. The CFO, there are the typical qualifications which RBI has fixed. We would definitely be creating the pipeline. In the interim, we needed a market resource. But it is also open to our internal candidates. If somebody is available, we will definitely consider that.

Mutual fund, we are not fully exiting. So, we still have potential to monetize further when market improves. I see a great opportunity for mutual fund growth and SBI mutual fund will be playing a very, very large role in this. Thank you.

Mr. Manoj Alimchandani

Sir, one more recognition I would like to highlight for benefit of all, particularly. Congrats to you and our DMD Finance for getting Corporate Excellence in Financial Reporting by the Regulator Award.

Mr. C.S. Setty – Chairman, State Bank of India

Third time.

Mr. Manoj Alimchandani

Again, last year we got it. I was involved in the process and this year SBI has got it and Yes Bank has also got it. So, accolades to you and the team. Congrats once again.

Mr. Ankit Bihani - Nomura

So, I wanted to ask about the outlook on the treasury income. So, given that the yields have hardened, and we assume it remains status quo, so how do you see?

Mr. C.S. Setty – Chairman, State Bank of India

Where are you?

Mr. Ankit Bihani - Nomura

Here. So, should we see a treasury income moderating sharply from hereon or we do have, we can sell AFS securities or participate in OMO through HTM to manage treasury income? My first question is on that.

The second question is on LCR. So, what is our average LCR for the quarter and what would be the impact of the new norms when they get implemented on 1st April?

And the third question is on your fee income breakup you give miscellaneous fee income as a part as well. So, we have seen decent pick up there in the last two quarters. What is driving that and what is that fee basically?

Thank you.

Mr. C.S. Setty – Chairman, State Bank of India

You want to take it?

Mr. Rana Ashutosh Kumar Singh – Managing Director (International Banking, Global Markets & Technology), State Bank of India

So, treasury income side we are not envisaging any significant decline what you are saying. This number should continue like this, not more, there will not be any reduction overall. We are talking about treasury, Global Market is forex income, treasury income, equity investment, private equity.

Mr. Ankit Bihani - Nomura

If I exclude the forex income, I am just talking about your FVTPL book. So, if the yields harden, so you have to mark-to-market on that book, right?

Mr. Rana Ashutosh Kumar Singh – Managing Director (International Banking, Global Markets & Technology), State Bank of India

That is right.

Mr. Ankit Bihani - Nomura

Then how do you manage the treasury income? Is it we sell AFS security?

Mr. Rana Ashutosh Kumar Singh – Managing Director (International Banking, Global Markets & Technology), State Bank of India

But there are opportunities also then. So, there are opportunities also when something like this happens, yield goes up and we have the MTM hits. So, this quarter also, we have seen this happening that because of the MTM, but we have maybe covered somewhere else. So, largely this will...

Mr. Ankit Bihani - Nomura

So, do you think this is something structural, it can continue for a longer time or?

Mr. Rana Ashutosh Kumar Singh – Managing Director (International Banking, Global Markets & Technology), State Bank of India

No, we have opportunities for making some other income somewhere else.

Mr. C.S. Setty – Chairman, State Bank of India

Yes, I think just to clarify what he is trying to say is that, if your question is in terms of how do we manage the yield movement. So, our internal view is that the yields probably will range from 6.55 to 6.75. In this range, there is no concern on the MTM hit. In any case, the Q3 numbers have not been built on the MTM gains, we have seen. We believe that there may not be great contribution coming from the positive MTM on the book. The negative MTM impact would be less because FVTPL, HFT book is small. Even if that there is a movement of the yields, I do not think there is going to be any significant impact on the MTM.

And we also have as Ashutosh is mentioning, an opportunity too as you mentioned participate in the OMOs, participate in the buybacks. And we even do the trading. If you see, the trading profits have been robust for the last two quarters. So, that will continue, that process will continue.

Anything unanswered remain?

Mr. Ankit Bihani - Nomura:

No, it is understood. On LCR?

Mr. Rana Ashutosh Kumar Singh – Managing Director (International Banking, Global Markets & Technology), State Bank of India

The number is 125.

Mr. Ankit Bihani - Nomura:

125?

Mr. Rana Ashutosh Kumar Singh – Managing Director (International Banking, Global Markets & Technology), State Bank of India

Yes.

Mr. Ankit Bihani - Nomura

And the third question was on the miscellaneous fee income line item.

Mr. C.S. Setty – Chairman, State Bank of India

Miscellaneous fee income is a very diversified income stream. But if you really have to put, I think some of the major ones is cash management services what we provide, and also, the mobile banking charges which we collect, account maintenance charges for non-savings bank customers, annual inspection charges and host of other charges. These are all diversified income stream. We also adjust it for the GST payment which happens. So, that is a net figure which is shown here.

Mr. Ankit Bihani - Nomura

Thank you for the answer to my question.

Mr. Kunal Shah, Citigroup

Hi, sir. Kunal over here from Citigroup. So, firstly, when you look at it overall in terms of the growth traction, how are we seeing the catch up on the PSL side, particularly on SMF as well as weaker section? Because at this pace of growth, do we see some shortfall coming through towards the end of the year and that might have a drag in terms of investments on our IDF? And what are the initiatives being taken if we grow at like 14-15%, is that pace catching up?

Secondly, on CA, when you look at it particularly, there has been a decline during the quarter on a sequential basis. No doubt we are at a double digit, we were growing at 18 odd percent as well. So, is it more of a quarter-end phenomena and maybe how do we see because I think for most of the players, we have seen CA picking up on the private side. So, is there some loss in market share which is happening on the CA front? So, and last...

Mr. C.S. Setty – Chairman, State Bank of India

We'll take these two questions and come back. Because they are very two important questions which you asked, I want to answer them.

The Current Account, we are predominantly seeing on the private side, despite actually the significant decline on the government business, is virtually drying up on the government current account. So, in the last one to two years, we focused completely on the private side business accounts and that has given us current account uptick.

And Current Account also is not a quarter end or month end phenomenon, we monitor in terms of the daily average balance to a quarter end number and it is very robust. It is

more than 80-85% which means that your daily average balances are holding up. So, there will be a month end and quarter end movement which is unavoidable, but we are very comfortable in terms of this ratio that you know your daily average balance to quarter end balance.

The other one is in terms of PSL. PSL, as you grow the book, PSL pressure will come. We have been addressing that in various forms. One is the organic growth PSL targets are given to every business segment including the corporates. We know that we do lot of on lending to lot of NBFCs where they qualify for PSL and we are clear monitoring. In fact, what we suggested that if an NBFC/MFI is there or NBFC is there which has got a PSL only funding which is from us, we are willing to give some discount on our rate which means that we would like to prevent the bleeding on the PSCLC side and we broadly are able to do that.

The subsegments which you mentioned definitely are the concerns for everyone, the small and marginal farmers, because the whole portfolio is very small and our requirement is 7.5% of the overall portfolio. I think it is creating an imbalance, and we also do not want to aggressively push up the PSCLC purchases. So, that you know year end PSCLCs will push up the premium. What we have done is that we have front loaded our PSCLC purchases in the Q2 itself. We virtually have not moved to PSCLC market in Q3 at all. So, we do lot of things in terms of reducing the PSL burden. Hopefully, I think the new guidelines, there are some positives. We are just evaluating how the PSL movement will happen in our book.

Mr. Kunal Shah, Citigroup

The reason was as you mentioned like when Chintan was also checking on overall LDR expansion but not improvement in margins which you mentioned is because of working capital drawdown as well as corporate which is low yielding. Then is it like maybe do we factor in the cost of PSL which is there at the time of doing that business because both these segments have grown quite robustly like SME is up 10% quarter on quarter, corporate is up like 8 % quarter on quarter.

Mr. C.S. Setty – Chairman, State Bank of India

Much of the SME growth is in the qualifying PSL category. So, MSME growth is not a worry. But I think on the corporate credit growth we definitely consider various cost factors. While we do primarily look at the risk involved and how do we price the risk, we also look at our cost of funds and what is the alternate mechanism of investing those funds. We have a simple mechanism called risk adjusted return on capital. I think we did mention earlier. The capital optimization is also core to our pricing strategy. The PSL cost many a time is worked out on the portfolio basis not on an individual account basis. Those costs are definitely accounted for.

Mr. Kunal Shah, Citigroup

And one last question, no plans to tweak MCLR from the current level now? So, we will hold on to our MCLR rates?

Mr. C.S. Setty – Chairman, State Bank of India

No, MCLR is an arithmetical calculation as long as the cost of deposits remain at that level. I do not think MCLR.

Mr. Kunal Shah, Citigroup

Yes, so given that incrementally we are not tweaking cost of deposits in any bucket.

Mr. C.S. Setty – Chairman, State Bank of India

We are not.

Mr. Kunal Shah, Citigroup

So, then we should consider like MCLR will remain at same level.

Mr. C.S. Setty – Chairman, State Bank of India

So, at this juncture neither we are considering any tweaking on the deposits, ALCO will take the call, but I do not think any MCLR movement is likely to happen in near term.

Mr. Kunal Shah, Citigroup

Thank you sir.

Mr. Jeet Suchak – Ambit Capital

I have a couple of questions. On the employees' provision, it is 25% and 32% lower Q-o-Q and Y-o-Y. So, what is reason on that? Any calculations on new labour code that will be affecting us?

Mr. C.S. Setty – Chairman, State Bank of India

We did the assessment of the new labour code. There is no noticeable impact because our wage structure is broadly aligned with the labour codes. That means no impact except that there is a requirement of providing for gratuity of contractual employees who have completed 1 year. Earlier it was 5 years, it has been reduced to 1 year. The net impact is only 16 crores provision which we had to make. So, I think we are broadly in alignment with labour codes, but we are also looking for the rules/regulations to come and if any assessment is required to be done, we will do. But I do not think there is going to be any impact on the labour codes.

The first thing you asked in terms of provisions, essentially the provisions have come down on the staff expenses, provision for pension. These provisions are based purely on the actuarial assessment, and the discount rates have moved up which means that the requirement of provision has come down.

Mr. Jeet Suchak – Ambit Capital

So, run rate will be in the similar lines of Q3.

Mr. C.S. Setty – Chairman, State Bank of India

Q4, I think run rate should be similar.

Mr. Jeet Suchak – Ambit Capital

And going forward also this should be the run rate?

Mr. C.S. Setty – Chairman, State Bank of India

Next year we will assess because this actuarial assessment happens every quarter.

Mr. Jeet Suchak – Ambit Capital

But it is not a one-off?

Mr. C.S. Setty – Chairman, State Bank of India

There is nothing unusual movement in that provisioning.

Mr. Jeet Suchak – Ambit Capital

And the second, so how much of the 100 basis point rate cut that previously have happened has been translated in the yields, how much is left on that side. What is the current MCLR book. How do you see the repricing of latest 25 basis points that will happen in our yields?

Mr. C.S. Setty – Chairman, State Bank of India

You asked so many things together, please. So, MCLR book, we have if you divide the whole book, we have 50% MCLR and fixed rate and 50% EBLR and other benchmark rates. That means around 45 to 48% book is floating, the rest is not really floating MCLR or fixed rate.

Mr. Jeet Suchak – Ambit Capital

So, full repricing of the 100 basis points is done, we can assume that - last 100 basis points and the latest December?

Mr. C.S. Setty – Chairman, State Bank of India

No EBLR book anyway the complete 125 basis points has been passed on.

Mr. Jeet Suchak – Ambit Capital:

On MCLR is there any....

Mr. C.S. Setty – Chairman, State Bank of India

MCLR could be, I do not know, I do not have the number, we will give you that number.

Mr. Jeet Suchak – Ambit Capital

And latest, the 25 basis points rate cut, how do you see yields affecting going forward Q4 and FY27?

Mr. C.S. Setty – Chairman, State Bank of India

The previous rate cut?

Mr. Jeet Suchak – Ambit Capital

Yeah, 25 December.

Mr. C.S. Setty – Chairman, State Bank of India

December rate cut, I think it will take some time to transmit in the deposits, but we have not cut the deposit rates.

Mr. Jeet Suchak – Ambit Capital

No, I mean on the yield side only.

Mr. C.S. Setty – Chairman, State Bank of India

Sorry.

Mr. Jeet Suchak – Ambit Capital

On the yield side only yield on asset.

Mr. C.S. Setty – Chairman, State Bank of India

Yield side I think it is about 800 crores or something and the overall full year basis. Margins I think 1 basis point or something what we have worked out.

Mr. Jeet Suchak – Ambit Capital

Okay, so trajectory anything of 25 basis points.

Mr. C.S. Setty – Chairman, State Bank of India

Sorry.

Mr. Jeet Suchak – Ambit Capital

Trajectory of the passing on the yields of the 25 basis points - if you can share any thoughts.

Mr. C.S. Setty – Chairman, State Bank of India

Sorry, I did not get your question.

Mr. Jeet Suchak – Ambit Capital

Okay, I will get back.

Mr. C.S. Setty – Chairman, State Bank of India

Okay.

Mr. Nitin Agarwal – Motilal Oswal

Hi, sir, Nitin Agarwal from Motilal.

Mr. C.S. Setty – Chairman, State Bank of India

Yes, Nitin.

Mr. Nitin Agarwal – Motilal Oswal

Congrats on a strong quarter.

Sir, my question is again around the cost. If you look at like last two quarters, we have been reporting very controlled costs growth. The OPEX this quarter is like a slight decline. And we are now talking to further raise the loan growth guidance. So how do you see the cost income ratio to play out over the next 2-3 years?

Mr. C.S. Setty – Chairman, State Bank of India

So, the credit growth is not substantially going to enhance the costs, the operating costs at least. Maybe, you know, we would like to manage the interest costs, as I mentioned, in terms of moderating the cost of deposits, focusing on the CASA. Our objective is to keep the cost to income ratio below 50 bps. I think that guidance we had earlier given, we are sticking to that guidance.

Mr. Nitin Agarwal – Motilal Oswal

Right, sir. And second is on the ROA, wherein we have talked about to maintain 1% ROA guidance. Now that if I look at nine months, we are tracking higher than that. So, will you want to review that? And any further levers if you want to highlight which can take ROA higher in the coming years?

Mr. C.S. Setty – Chairman, State Bank of India

I think we still stick to that 1% guidance. I do not want to jump the gun at this juncture. It is playing out well. And we also are mindful of our RWA density. I think this is something which we are very conscious about that, which means that you cannot have a jump in the ROA. We want to be consistent on the ROA front. I think the guidance will remain at 1%.

What is the other one you asked?

Mr. Nitin Agarwal – Motilal Oswal

Just any levers?

Mr. C.S. Setty – Chairman, State Bank of India

There are quite a few levers. But I think the levers point out that, we will maintain this 1% guidance through the cycles. I think that is very important too. We are not giving the guidance only for one quarter or one year. We said our guidance is 1% ROA through the cycles.

Mr. Nitin Agarwal – Motilal Oswal

Thank you so much.

Mr. Pritesh – DAM Capital

Hi, sir. One question on private capex. Last time you had made a comment that it is improving and with some of the corporate growth revival, do you think it will further pick up and what is our pipeline in terms of corporate book ahead?

Mr. C.S. Setty – Chairman, State Bank of India

I will ask Ashwini to respond.

Mr. Ashwini Kumar Tewari – Managing Director (Corporate Banking and Subsidiaries), State Bank of India

So, the pipeline is Rs. 7.86 lakh crores with sanction but not disbursed about Rs. 4.4 lakh crores and the pure without sanction pipeline Rs. 3.45, that is the total undisbursed plus pipeline. Pure pipeline is Rs. 3.45 lakh crores.

In terms of growth in the corporate side, yes, you are right, we are seeing pick up and two new things which will help us next year one is the announcement by RBI on REITs, that is a market so far we were not allowed to, that's a large market and growing fast. We hope to develop something there. And also, M&A guidelines finally when they come, we hope to do that as well. Those two will help us to give more basis to increase the corporate book and with better margins because both these segments are better paying than some of the other segments. We are also seeing other pick-up happening in the corporate side especially in power including renewables, metals and also infrastructure.

Mr. Pawan Kumar - General Manager (Performance, Planning and Review), State Bank of India

Due to paucity of time, we will now take up a few questions coming in through the online webcast which will be addressed by the Chairman sir.

Mr. C.S. Setty – Chairman, State Bank of India

First question is **Bunty Chawla**: Loan growth guidance for FY27 - FY27, we said that we'll give the guidance somewhere in Q1. But for the current quarter, we have revised our credit growth guidance from 12 to 14% to 13 to 15%.

Kanika: Do you see credit growth sustaining with such wide credit deposit growth gap?
- I think we have had a long discussion on the credit growth. And we do not see, as I mentioned, any challenge. And we have adequate liquidity buffers as well as capital buffers in our book.

Akhilesh Gupta: Credit growth outlook - The credit growth for the bank for Q3, 15.14%. And as I mentioned, we have revised the earlier guidance from 12 to 14% to 13 to 15%. Outlook on NIM, I think is broadly addressed. We are still sticking to our exit NIM of 3% for the year and 3% through the cycles.

Karthik: What would be the guidance for ROA? - I think that again, we have answered 1% through the cycles.

In which area of business do we have earned more? - I believe we have earned everywhere, I suppose. But I think some of the lines of business are more profitable, like Xpress Credit, the portfolio of 3.5 lakh crores definitely gives us a yield pickup. But I also mentioned in terms of the ecosystem improvement in the corporate banking side, which is also contributing to the income levels. And one of which we did mention is in terms of the dividend payout from the SBI Mutual Fund.

Sangeeta: Could you give colour on the other income? Which element showed growth and is sustainable? - I think other income, fee income, treasury, forex, all have showed growth. CVE income, that is customer value enhancement income also had shown significant growth, and we believe that it is sustainable.

Laveesh: What are the components in miscellaneous income? - I think we have answered this miscellaneous income segment, but you are talking about 5,000 crores. I think in this, there's Rs. 2,200 crores from the Mutual Fund and recovery from written-off accounts about Rs. 2,600 crores. These are the two major elements in the miscellaneous income.

What was the interest on IT refund in the quarter? - I think that was answered by DMD Finance. It is Rs. 769 crores Q3 and Rs. 372 crores in the previous quarter.

Kiran Shah: What is the yield on gold loan portfolio? Is ticket size average? LTV at origination and at December '25? - Yield on personal gold loan portfolio as on 31st December is 8.61% with average ticket size of 2.64 lakhs. LTV, I did mention that it is 56.57% in December '24, which has come down to 51.18% in December '25.

Vishal Gupta: GNPA and NNPA ratios have improved further this quarter. Which segments are driving this improvement? - I think overall improvement in all the segments is driven. Of course, corporate has no asset quality issues. Corporate NPA has gone down by 1,888 crores. So, foreign offices also have shown decline in the NPAs.

Param: Can you give a breakup of AUCA pool between retail, agriculture, and MSME? SME is 34,000, agriculture is seven. Retail is 7,000 and corporate is 1.10 lakh crores.

Rohit: What has been the impact of the new labour codes? - I think we did make a mention on the labour code impact. It is not significant at all. It's just about 16 crores provision we had to make to comply with the norms.

MB Mahesh: Could you walk us through what is the total gold loans in retail, SME, and agriculture? SME, we have not much of a portfolio. Agri-gold loan is 1.44 lakh crores and personal gold loan is 86,000 crores. Thank you.

Mr. Pawan Kumar - General Manager (Performance, Planning and Review), State Bank of India

I trust all the questions have been addressed. We'll be happy to respond to other questions in offline mode. Let me end the evening with thanking Chairman sir, MD sirs, DMD sir, top management team, senior officials of the circles, and various offices connected through webcast, analysts, investors, ladies and gentlemen.

We thank you all for taking time out of your schedule and joining us for the event. To round off this evening, we request you all present here to join us for high tea, which is arranged just outside this hall. Thank you.

END OF TRANSCRIPT