

Management Discussion

Pawan Kumar Chandel - Manager, Performance Planning and Review Department, 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 State Bank of India, I'm delighted to welcome the analysts, investors, colleagues, and everyone present here today on the occasion of the declaration of the quarter 1 financial year '27 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 A.S. Paul. Our 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, chief general managers, and other senior officials of the circles, and various officers are connected to our live webcast. To carry forward the proceedings, I request our Chairman, Sir, to give a summary of the bank's quarter FY 2027 performance and the strategic initiatives undertaken. We shall thereafter straightaway go to the question- and- answer session. Before I request Chairman, Sir, I would like to read out the safe harbor 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. I would request Chairman, Sir, for his opening remarks. Chairman, Sir, please.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Thank you, Pawan. Good evening, ladies and gentlemen. A very warm welcome to all of you. Thank you for joining us for today's analyst meet following the announcement of our financial results for the first quarter of FY'27. We greatly value this interaction as it provides us with an opportunity to go beyond the reported numbers and discuss the strategic direction of the bank, the operating environment, our priorities for sustaining growth over the medium and long term. The first quarter has unfolded against a global backdrop marked by geopolitical uncertainty, evolving trade dynamics, and continued volatility across commodity and financial markets. Despite these external challenges, the Indian economy has continued to demonstrate remarkable resilience, supported by strong domestic demand, healthy investment activity, robust services growth, and a well-capitalized banking system. Credit demand has remained healthy across key sectors. We continue to see broad-based opportunities for sustainable growth. As India's largest bank, our approach has always been to continuously evolve while balancing growth with resilience. As we continue to revisit and transform our internal operations, we have further simplified several customer-facing processes, including the launch of our digital re-KYC journey, which enables eligible customers to update their KYC seamlessly through a digital interface. We continue to strengthen the YONO ecosystem by introducing new digital customer journeys, including a seamless three-in-one onboarding process for savings, Demat, and trading accounts. We also introduced YONO G, our agentic AI-powered virtual round-the-clock assistant on YONO Business, and expanded WhatsApp banking for our current account customers. At the same time, we integrated our trade finance suite into YONO

Business while adopting artificial intelligence in trade finance operations to improve turnaround time and customer experience. On the credit side, we launched MSME Dream, through which we extended our business rule engine to cover SME loans up to INR10 crore from the earlier INR5 crore, enabling faster credit decisions while maintaining underwriting discipline. In the Agriculture segment, we expanded digital document execution across the nation for Kisan Credit Card and Agri Gold Loan to further improve customer convenience. Technology is also strengthening our risk management framework through PRISM, our predictive stress monitoring platform. We are leveraging internal and external sources to identify early signs of stress in borrower accounts. This initiative also enhances our preparedness for the implementation of the proposed expected credit loss framework. Collectively, these initiatives reflect our continued commitment to building a bank that is digitally enabled, operationally efficient, and well-positioned to deliver sustainable growth. Against this background, I am pleased to share that the bank has delivered another strong quarter. Our net profit reached a record INR21,121 crore, supported by healthy operating performance and disciplined cost management. Operating profit grew by 9.77% year-on-year, while our domestic net interest margin remained resilient at 3%, reinforcing our confidence in maintaining our guidance for the financial year. Our balance sheet continued to expand with the total business crossing INR110 trillion, while deposit exceeded INR60 trillion mark and advances crossed INR50 trillion mark. Underpinned by our diversified business model, growth has remained broad-based across retail, agriculture, MSME, and Corporate segments, reflecting healthy demand. On the liability side, we have continued to maintain robust deposit growth in a highly competitive environment. Our CASA franchise remains one of the strongest in the industry, providing a stable and cost-effective funding base. Strengthening and leveraging our liability franchise remains one of our key strategic priorities as we continue to optimize the balance sheet. Equally encouraging has been the sustained improvement in asset quality. Gross and net NPA ratios have further improved and remain at their lowest level in over two decades. This is a reflection not only of a supportive operating environment, but also of years of disciplined underwriting, stronger credit monitoring, and improved collection mechanisms. Our robust provision coverage ratio and strong capital position provide us with ample flexibility to support future growth while maintaining prudent risk standards. Digital transformation continues to be an important differentiator for the bank. Customer adoption of the new YONO platform has been increasing, with the digital acquisition continuing to grow steadily. Increasing digital transactions, wider use of analytics and AI, and continued automation of internal processes are helping us improve productivity, enhance customer experience, and optimize operating costs over the long term. Our subsidiaries have continued to perform well and remain important contributors to shareholder value. The successful listing of SBI Funds Management marks another significant milestone in unlocking value within the SBI Group, and we remain committed to supporting the long-term growth of each of our subsidiaries. Looking ahead, we will continue to focus on improving the quality of growth along with growth in volumes. We remain committed to maintaining a healthy balance between profitability, asset quality, capital efficiency, and customer franchise. At the same time, we will continue to invest in technology, analytics, and AI to ensure that SBI remains well-positioned to meet the evolving expectations of customers and the changing dynamics of the financial sector. As we progress towards our 75th anniversary in 2030, we are building an institution that is not only larger in scale, but also stronger in capability, more agile in execution, and better equipped to support India's growth aspirations. Before I conclude, I would like to thank all of our stakeholders for their continued trust and confidence in the bank. The performance we have delivered this quarter reflects the collective efforts of our employees, the

enduring confidence of our customers, and the continued support of our shareholders and investors. Thank you once again for joining us this evening. My colleagues and I will now be happy to take your questions.

Pawan Kumar Chandel - Manager, Performance Planning and Review Department, 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 question to the financial results only, and no question be asked about a specific accounts, please. In case you have additional questions, the same can be asked at the end. We now proceed with the question- and- answer session, please.

Questions & Answers

Ashok Ajmera - Analyst, Ajcon Global

Yeah. Thank you. Good evening, sir. Of course, compliments to you all, sir, for the fantastic results. As far as the profitability goes, definitely I think the highest operating profit and the net profit of the bank ever had in a quarter, even surpassing that Q3 2026, which was also a good quarter profitability-wise. It is one of the highest. Having said that, sir, as far as the business growth is concerned, while we have seen that in some of the other banks, this quarter has exceeded whatever the expectation for there, for the entire deposit, credit, or entire business growth. In our case, if you look at the percentage terms, of course, this quarter has not been that good as compared to many of the other banks, though they are smaller in the size. Our deposits grew only by 0.5%, advances 2.32%, of course, is good, but the overall business is 1.33%. Secondly, sir, there is an element in the other operating expenses which has gone down in the miscellaneous expenses if you look. It has gone down by almost about INR3,600 crore in this quarter. Overall, the other operating expenses have gone down by almost about INR5,800 or INR6,000 crore, which are added to the profitability of this quarter. I don't remember exactly in miscellaneous expenses what was there in the last quarter of INR7,774 crore, which has now reduced to INR4,108 crore. If you can just give us a little highlight on that. Other thing is, sir, I think after about many quarters, for the first time, there is an uptick in the absolute numbers of the gross and net NPA in this quarter. At the same time, the SMA numbers also, if you look at SMA 2, it is double than the last quarter. Even overall SMA also have gone up little bit. Fresh slippages also have gone to INR1,000 crore from INR5,500 crore. Does it give any indications that there is some stress which is building up in the system on that, and what do you see going forward in the coming quarters whether it will continue? Similarly, if we look at the provisioning, of course, a small number, but the other provisions have gone up to INR1,270 crore as compared to reversal of INR366 crore in the last quarter. What is the reason for that? On the whole, a good quarter, but few items, like as I said, that in the miscellaneous income also, as well as the expenses. Miscellaneous income also has come down in this quarter by almost about INR4,000 crore in the other income side. These are some of the pointer questions if you can answer, sir. Thank you.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Thank you Ajmera saab. I think a few questions I will answer, my colleagues will take over from there. Deposit growth has to be seen from the lens of the liquidity which is available to us. Deposits have become extremely competitive landscape, a lot of wholesale deposit rates have gone up,

which is not the rate which we are willing to pay. Our retail franchise has done extremely well. If you see our retail deposit, term deposit growth is 14%, continues to be 14%. Even in the last quarter, we did 14% deposit growth on the retail term deposits. More notably, savings bank, with a balance of INR17.5 lakh crore base, has grown by 10%. With the whole industry is actually struggling with CASA, probably we are an exception that we have posted CASA growth rate. We also have very significant liquidity in our balance sheet. As on 30th June, we had an excess SLR of INR3.06 lakh crore. As we speak, also contributed by the FCNR flows, we have excess SLR of INR4 lakh crore. Which means that, we strongly believe, I mentioned earlier also, that the bulk deposit is a Treasury activity. The Treasury will decide whether they need to access this bulk deposit, or they can go to the market and borrow whatever is a more acceptable rate. I think we really got this balance right in Q1, which is actually reflected in your cost of resources, overall cost of what we paid for the resources, contributing to the NIM stability. Almost 7 basis point uptick has come mainly because of the cost of deposits going down. On the gross and net NPLs, fresh slippages, I think we should not really be worried about this. Just to give you a number, fresh slippages normally are higher in the Q1. If you see, I think you should compare from Q1 of the last year to this. Out of this INR7,000 crore slippage is what we had. As we speak, we pulled back almost INR1,450 crore or INR1,500 crore. There is no concern in any of these gross net or SMA front. On the miscellaneous expenses, if you have some data on that, you can respond.

Anindya Sunder Paul - Deputy Managing Director of Finance, State Bank of India

Okay. Okay. So in the miscellaneous expenses, apart from insurance expenses, where we have clubbed the insurance expenses to miscellaneous expenses this time. If I see, apart from insurance expenses, this quarter, it is INR2,385 as against INR2,266 of quarter 1 of previous year. There is hardly any increase. The insurance expenses as against INR2,074 in quarter one last year, we have expended INR1,723.

Ashok Ajmera - Analyst, Ajcon Global

No, as compared to the last quarter, which was

Challa Sreenivasulu Setty - Chairman, State Bank of India

No, don't compare with the quarter.

Ashok Ajmera - Analyst, Ajcon Global

It was INR774 crore.

Anindya Sunder Paul - Deputy Managing Director of Finance, State Bank of India

No. What happens in the quarter four, most of the expenses get carried over in the last quarter, so the right way of comparison would be year-on-year.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Is a year-on-year.. While we also realize that the Q4 bump will always create this confusion, we have decided that some of the expenses, the bulk expenses, will amortize over three quarters from starting with this quarter. You will not see that uptick which happens in the expenses in the Q4..

Ashok Ajmera - Analyst, Ajcon Global

Similarly, in the miscellaneous income side also, which is.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Miscellaneous income, again, don't compare with the Q4.

Ashok Ajmera - Analyst, Ajcon Global

Lower INR1,600 crore as compared to INR6,600 crore.

Challa Sreenivasulu Setty - Chairman, State Bank of India

In Q1 of the previous year.

Ashok Ajmera - Analyst, Ajcon Global

No. Sir, Q1, in the whole year, the overall business gets expanded to 10%-12%, the whole picture changes. Some of these items are comparable with the last quarter, then gives a better.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Not necessarily. In our case, a lot of income is also booked in the Q4. I think earlier also we mentioned that sequentially, the numbers sometimes can be a little confusing because either bulk expenses or bulk income is booked in. In fact, for example, in Q1, the whole locker rents are recovered in Q1 itself, but you don't see that number in Q4. There are variations in terms of what are those bulk income streams which are available in each quarter. Ideally, it should be the year-on-year comparison.

Ashok Ajmera - Analyst, Ajcon Global

Sir, you referred on that FCNR deposit. Overall, under all these three items, how much money have we already generated? The leveraging, how much it added to our credit growth of this quarter?

Challa Sreenivasulu Setty - Chairman, State Bank of India

The credit growth is..

Ashok Ajmera - Analyst, Ajcon Global

Because of that FCNR.

Challa Sreenivasulu Setty - Chairman, State Bank of India

FCNRB will contribute credit growth to our foreign offices immediately, but it augments our deposits here. We have had almost \$6 billion FCNRB deposit mobilized. We also have done one YFCB of \$1 billion and \$300 million of ECBs. In all, about \$7.3 billion have been funded by mostly our foreign offices. The \$6 billion contributed predominantly to almost \$45,000 gross in this later part of June. I think only \$7,000-\$8,000 was there in the June quarter.

Ashok Ajmera - Analyst, Ajcon Global

All right, sir. Thank you.

Mahrukh Adajania - Analyst, Nuvama Wealth Management

Hello sir. Congratulations.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Thank you.

Mahrukh Adajania - Analyst, Nuvama Wealth Management

Hi, sir. Sir, I had a couple of questions. Firstly, your fee income has been very strong this quarter and it's been strong for the last few quarters as well. In this quarter, the government fees have also

grown quarter-on-quarter, which is not usually the case in the first quarter. If you could give some outlook on fees on how sustainable this is going ahead. That's my first question. Then I have a question on margins. If you could give any outlook on margins now. We did not give any outlook on margins in the fourth quarter, but because now there are a lot of moving parts, there's FCNR and there's competition in some segments. If you could throw some color on your outlook on margins, that'll be helpful. On FCNR, if you could clarify, the deployment will be in Overseas loans only, is it?

Challa Sreenivasulu Setty - Chairman, State Bank of India

No.

Mahrukh Adajania - Analyst, Nuvama Wealth Management

Okay. No.

Challa Sreenivasulu Setty - Chairman, State Bank of India

No. Well, the credit growth would be visible because leverage is provided by our foreign offices. You're done or do you have some more questions?

Mahrukh Adajania - Analyst, Nuvama Wealth Management

No. These questions.

Challa Sreenivasulu Setty - Chairman, State Bank of India

The fee income, broadly, I believe one of the positive developments in the last few quarters definitely have been on the fee income side. We still have a long way to go when compared to many banks. Fee income to overall income, we still are just about 15%. We have a potential, definitely go to up to 20%. Our focus on the fee income continues to be there. Whatever are the sub-themes in that, whether it is loan processing charges, government business, CVE activities, I think every area is being focused on. Specifically on the government business, I think the INR500 crore improvement, what you see is a combination of a bit of accounting treatment because auditors have insisted that some of the cash management solutions, what we provide to the government entities, the income should be booked on accrual basis, not on the actual basis. 50% came from that accounting treatment, and the rest of the thing has come from the usual growth, particularly on the railway side. Anything, Rama, you want to add?

Rana Ashutosh Kumar Singh - Managing Director, International Banking, Global Markets & Technology, State Bank of India

Yes sir, you are right, sir. In fact, but for that adjustment, the growth would have been just around 29% year-on-year, which is like in a year it happens. But we have switched to accrual system now, so this is more robust.

Challa Sreenivasulu Setty - Chairman, State Bank of India

What are the other things, Mahruk?

Mahrukh Adajania - Analyst, Nuvama Wealth Management

Margin outlook.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Margin outlook, I still hold. I'm not going to give you quarterly outlook. There's a full year outlook of 3%, which I mentioned right in the beginning of my speech. We're sticking to that.

Manoj Alimchandani

My name is Manoj Alimchandani. A couple of observations. One is hats off to you on delivering on everything you promised since the last quarter. An excellent value, over 10% in just in a quarter. At that time, we were around INR920, INR930, and today, INR1,100+ . I would like to have your thoughts on a couple of very important issues. On the day you took over, you started building the blocks for value creation, and then we won the award for the best global consumer bank, and we did the QIP also at a very good valuation. A couple of thoughts when we look at your aspiration and the people management here on being the most valuable bank in India. Valuable bank as far as listing price is concerned. One is that, the valuable group when we consider the value of all our listed entities of the bank. How we are looking at that from the day you took over, there was a big gap between the two banks, the leading private sector bank, everybody knows that, and us. There was a big gap. Apparently that bank gap, when do we become number one and most valuable bank in India? On a sustainable basis. Along with our subsidiaries and associate entities. Hats off to you. We did the value unlocking of our mutual fund, which will be coming in the current quarter. Without that, we have achieved such great numbers, and the value unlocking in NSE is yet to come, possibly in the third quarter. Would look at the thought process you are having, and all of us, on how we look at being the number one bank in India, valuable bank, and a valuable group as a BFSI entity. One is that. Second thing is, your thought process on this today, credit growth of 18%. Is that a one-off blip or we see it a sustainable credit growth of 18%+ , and being the leader in credit growth in the credit cycle ahead because apparently the worst is over on the geopolitical front and inflation front also, and very clear signals given by the Fed and the RBI. One other besides, would like to have your answer in detail. My congrats to all the AMC team and the people sitting here for the value unlocking, and also congrats to you for getting a CFO for next five years. You promised that, and you delivered that. Hats off to you. CFO has also great experience in handling similar size and larger fundraising just a few days back, leading roadshows worldwide. Looking forward to answers.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Thank you, Manoj. I think, the first statement what you made, I consider as a blessing than question. I leave it there. The second question on the credit growth. I'm not answering the first one because I thought that is more of an aspirational one. If I really have to answer that question, I would rather would like to say that, just reiterate what I mentioned right in my speech, that we are building the bank for future. Whether that future rewards us in terms of market capitalization, creating value, is the market perception about us. Our perception is that we would like to build a bank for four important stakeholders, which I always mention: our employees, customers, shareholders, government, and regulators together. The last piece. I think this is something what we consciously and every day try that, how do you improve in terms of satisfying the expectations and aspirations of all four stakeholders. Maybe the outcome and the by-product of that is improved market capitalization. We would be happy to realize that. As far as your credit growth question is concerned, I think 18% credit growth has to be seen from the base effect. I think Q1 of the previous year has been a muted quarter. This is not only for SBI. The whole banking system had a muted credit growth in Q1 of previous year. We have given the guidance, which is anchored on the nominal GDP expectations of the bank. We believe that maybe the nominal GDP would be around 12%, 12.5%, and SBI always grown 2%-3% more than that. We have given the credit growth guidance of 14%-15%, which means that 18%, in my view, seems to be a little difficult proposition. Our own internal estimate for the industry is 15%-16%. If any economic activity actually gets primed more than what we see now, probably we may go to that 16% level. Our broader guidance is on the

14%-15%. On the CFO front, yes, I hope this five-year term what you have spoken about will stand good. We are happy to welcome Mr. Agarwal to our fold. Thank you.

Manoj Alimchandani

Thanks. One more observation. I think you have got two more years to go. What I would like you to aspire, you did one great QIP at a great price. I know Mr. OP, Arundhati and everybody used to mention about fundraising, you really did it. Before you go, always strike when you in market cap principle is, when you get a good valuation, go for it. Now, I think the time is yet to come. I think we may go up to 1,200, 1,500, before you retire, that would be the great time to hit the record and we do the capital adequacy for the next leg of growth. I hope that aspiration will be on your Corporate planning team. Wish you all the best for that.

Challa Sreenivasulu Setty - Chairman, State Bank of India

But I must also acknowledge because of the, as I mentioned, we consider this interaction more of an educative one. I remember, I think two, three quarters later when I took over, many of you mentioned that, please remove a line that the capital may be raised and the ratios may be seen to be. From that angle, you said that either you drop this line or raise the capital. Thank you for that advice, and we were able to overcome that issue of QIP overall.

Unidentified Speaker - Analyst

Sir, may I? Team SBI, congratulations for excellent performance and good luck for the year. I think you're going to beat everyone in the street. First question is aspiration of India, aspiration of SBI and growth of India is far dependable and what SBI does in the new emerging businesses which you have formed a vertical, others are lagging behind or they are waiting for data from you. Looking at those aspirational eight, nine divisions, starting from data center, GPU, hydrogen, solar, required for all of them, CapEx cycle needs almost INR30 lakh crore in next four years. Part of it will be funded by global players, part will be India. To meet those requirements, how are we gearing up to meet those industry needs? Because this will be all large giants, I'm not counting Amazon, Microsoft, or those hyperscalers asking for debt from you, but the domestic partners and domestic companies which are emerging, which may be not visible to the street today, they may be less than \$1 billion capital. I understand you have sanctioned few and you are assessing few. I need a little guidance on that aspect, because SBI's future would be far brighter than most of them, because most of the other bankers are doing ram, ram. ram.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Ashwini, you can take this. I will supplement after Ashwini response.

Ashwini Kumar Tewari - Managing Director, Corporate Banking & Subsidiaries, State Bank of India

So you are right. One is this center of excellence which has come up, as you pointed out, it is developing deep expertise in all these sectors. Our teams used to do that already, but this is fully focused on this only. These are still early days. They have assessed a few, and they have updated the risk models, which our teams used to do by having more deeper engagement with the industry players. We are having some pipeline there. Even in the merger and acquisition space, which is again, a newly opened space for us, we are seeing very good traction for us because everybody is consulting us and we have a lot of opportunity which we see there, including some in this space as well. It's like turning out some new segments, new classes of customers, which we earlier were not able to handle. For example, software never borrowed from us, but now they are under this. They

want to acquire companies, they are borrowing from us as well. I think there's much opportunity which is available, yes, we will set those benchmarks and everybody else is welcome. We will share the knowledge as it stands.

Challa Sreenivasulu Setty - Chairman, State Bank of India

One of the constraints, as you pointed out, would be that how do we fund this requirement? Where is the capital pool coming from? I think this brings me to my favorite narrative that the shift in the household savings which has happened, this kind of growth of INR3,000,000 crore cannot be funded by the banks alone. One is, of course, how many banks really will be getting into funding this capital expenditure. The other thing is that capability of the banks to fund this capital expenditure. The overall structure of funding has to change. As I mentioned earlier, if the household savings are going to pension funds, mutual funds, insurance companies, they all have to contribute to this capital expenditure in some form or the other. What are those structures which will emerge? Number two, many of us have a kind of illiquid asset portfolio in our books. Take home loans, for instance. I did mention earlier also, again, I'm reiterating, the overall system has got INR30 lakh crore or even more home loans, INR34 lakh crore home loan portfolio, which is absolutely illiquid. Whether we can bring securitization structures. If securitization structures come, unless these non-bank participation is there, this is not going to really work. I think we are consciously working as a market leader to bring those structures and help this funding capability in the system to grow.

Unidentified Speaker - Analyst

Sir, you rightly answered my next question, if you're considering hydrogen, solar, connectivity, now REITs and InvIT funding, domestic M&A plus global M&A, INR82 lakh crore of mutual fund size today as of June, keeping a combination and CD ratio at 82% today, the bank's capital requirement at SBI may be met. There may be opportunity for SBI Caps and yourself to underwrite and downsell to many banks because they are depending if SBI writes, I'll write the proposal. Keeping all those aspects in mind, I see a far better prospects for SBI in next four, five years, specifically for these sectors, compared to what others are thinking right now. There may be overhanging one other sword on other bankers of merger and acquisitions between themselves. Maybe SBI lines up with one or two. What happens to the nation and what happens to SBI? That's why I'm asking this.

Challa Sreenivasulu Setty - Chairman, State Bank of India

No. In some manner, you are right. I think there's a greater opportunity emerging. What is required, apart from the capital which we have spoken about, is the capability. This is what Mr. Tiwari has mentioned in terms of our Centre of Excellence, CHAKRA initiative, so that at least a dedicated band of people who understand the emerging industries and what are the, not only opportunities and the risk associated with funding them. You mentioned that if SBI underwrites, others will participate. SBI itself has to develop that confidence and capability, which we are investing now in our people through this CHAKRA initiative. I believe, I am sure, I agree with you in terms of the emerging opportunity in these areas and how do we position SBI to be the premium bank in that. We consciously are working on it.

Unidentified Speaker - Analyst

The main contributor is that we have given a tax holiday till 2047 along with Malaysia.

Challa Sreenivasulu Setty - Chairman, State Bank of India

On the data centers.

Unidentified Speaker - Analyst

Yeah, data centers. Thank you and thank you for answering and good luck for the year.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Thank you.

Kunal Shah - Analyst, Citi

Good evening, sir. Kunal from Citi. Couple of questions. Firstly, on the overall loan book, if we look at it compared to the other banks, we have seen almost a flat growth on the Corporate side, and growth has primarily come from SME retail and agri on a sequential basis. One is maybe, did we actually transition to this MCLR pricing, which you were indicating last time from T-bill to MCLR, and that would have taken the rates up, and we have seen some rundown or competition out there. Was that the reason? Maybe we will see the uptick on the Corporate side going forward, because overall at the industry level, still Corporate growth is quite strong. Now it has outpaced the overall system growth. That's the question. Secondly, within the loan book, when you look at it, even Xpress Credit, maybe the sequential traction is not strong. It's still like 8- odd% . Anything to read into it? We were expecting to take it into double digit over a period. How is the traction out there on the PL side? Secondly, getting onto margins. In terms of the entire MCLR transitioning on the Corporate, is it largely done during the quarter, and is that reflected in the yield improvement which is there? Bulk deposits, if you can just give the proportion, what is the proportion of the bulk deposits today and maybe as of June, and how much it was last quarter? Any interest on IT refund, if it was there within the margins during the quarter.

Challa Sreenivasulu Setty - Chairman, State Bank of India

On the Corporate side, we did mention that there've been a significant growth on the T-bill pricing. What we see on the Corporate side is a combination of moving a part of that portfolio to MCLR. Obviously in the process, somebody who is not willing to pay MCLR have looked for alternatives. Largely, the T-bill pricing itself is renegotiated in many cases, improving the yield. This still is a work in progress. Full transition has not happened. There is a general awareness both in our teams as well as among the customers, that what is our pricing expectation. The growth probably would be based on these expectations only. There have been some instances where obviously people have moved. Which you see sequentially our growth rate has been lower, we used to have a strong dip sequentially every year, and that dip is much less than what it used to be earlier. I think it should be seen from that angle. Maybe others are growing, we have a very fairly large book. 33% of our book is Corporate book. I don't think anybody in the system has such a large book. Even if they grow, the percentage terms, it looks bigger, we have good visibility. I would ask Ashwini to respond further on the Corporate book. Coming to your Xpress Credit, we are seeing a good amount of sourcing and good amount of disbursements in the current quarter and also the quarter which we just finished. It is not going into the double-digit territory because of the gold loans. We have seen that many of the normal Xpress Credit customers are opting to take gold loan. Obviously, there's an interest rate arbitrage, almost 3%. Somewhere this gold loan juggernaut will slow down, and some movement will happen to Xpress Credit. We have an opportunistic growth in terms of gold loan. We are doing it in a full basis, both on the personal gold loan and agricultural gold loan. No worries on that. MCLR transition, as I mentioned, is a work in progress. We don't disclose on the bulk deposits proportion, I think we'll stick to that because this number is a Treasury activity and every time you guys get worked up, bulk deposit going up, bulk deposit going down, and your financing models and your Excel sheets all will go for a toss. I would rather stick to that

Kunal Shah - Analyst, Citi

The cost of deposits has improved.

Challa Sreenivasulu Setty - Chairman, State Bank of India

I will not go into the bulk deposit thing, but one thing I would definitely say that the proportion is significantly coming down, and broadly will be helped by the FCNR flows. If we have INR1 lakh crore flows of FCNR which we expect to have, I think to that extent, predominantly it will be reducing our bulk proportion.

Kunal Shah - Analyst, Citi

Entirely because there would be some leverage also. In terms of this INR1 lakh crore, we heard that you mentioned INR10 billion of FCNR. What do you expect the leverage from our own balance sheet, which will be there on the credit?

Challa Sreenivasulu Setty - Chairman, State Bank of India

It is currently is fully on our balance sheet.

Kunal Shah - Analyst, Citi

Entire?

Challa Sreenivasulu Setty - Chairman, State Bank of India

Entirely on our balance sheet, leverage now. Overseas offices.

Kunal Shah - Analyst, Citi

No, what is the quantum? Like \$6 billion also, which we raised till date, it's like entirely.

Challa Sreenivasulu Setty - Chairman, State Bank of India

We don't want to comment on the yields and the leverage which we are providing. I can tell you that it is all leverage mostly is provided by our own foreign offices.

Kunal Shah - Analyst, Citi

Got it. Interest refund.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Interest on

Kunal Shah - Analyst, Citi

Interest on IT refund?

Challa Sreenivasulu Setty - Chairman, State Bank of India

Isn't it? I think this quarter we don't have any.

Piran Engineer - Analyst, CLSA

it refund

Challa Sreenivasulu Setty - Chairman, State Bank of India

Last year, first quarter, we did not have any, but quarter four we had INR1,100 crore.

Piran Engineer - Analyst, CLSA

No interest at all.

Kunal Shah - Analyst, Citi

Yeah. Okay. Thanks. Yeah.

Challa Sreenivasulu Setty - Chairman, State Bank of India

You want to add something on the corporate side?

Ashwini Kumar Tewari - Managing Director, Corporate Banking & Subsidiaries, State Bank of India

No, nothing much. The pipeline is very strong. Overall, if you include the term loan undisbursed, the working capital not utilized and pipeline, it exceeds INR9 lakh crore. There's a strong pipeline for Corporate credit, and as I explained, the M&A is a very good opportunity we are seeing very strong interest.

Kunal Shah - Analyst, Citi

Thanks. Thanks and all the best.

Unidentified Speaker - Analyst

Sir, hi. Sir, I have a couple of questions here. Sir, first on FCNRB, there are two legs, right? First, it will reduce the bulk deposit, it should be helping in overall cost of deposit or cost of fund. The Overseas book that also sees an increase by the equivalent leverage amount. There, the spread should be very minimal, right? What is the net impact of FCNRB on the margins? Would it be margin dilutive or would it still be margin positive for the bank?

Challa Sreenivasulu Setty - Chairman, State Bank of India

I will respond on the domestic side and Overseas, Ashutosh will respond. Domestic, I don't see any significant negative or positive impact because as I mentioned to Kunal, that we don't have a significant proportion of bulk. Even if it is INR1 lakh crore on a INR60 lakh crore deposit base, it's not really going to move the needle. Okay. On the Overseas side, Ashutosh, you can respond.

Rana Ashutosh Kumar Singh - Managing Director, International Banking, Global Markets & Technology, State Bank of India

Thank you, sir. Overseas side, we don't see any major NIM impact on our Overseas book because we have a large trade finance book there where NIM is, you know that what is the NIM in a trade finance. One-third of the book was trade finance, so we'll have some maybe remix in the portfolio of the foreign offices. But net, there'll not be NIM impact on the Overseas offices.

Challa Sreenivasulu Setty - Chairman, State Bank of India

What the foreign offices are doing is that, if they are funding FCNRB by providing leverage, they are reducing on trade finance. The margins are equivalent, or sometimes margin on supply chain is much lower than what they're getting on the FCNRB. Overall, I don't think there is any impact either on the whole bank NIM or domestic NIM.

Unidentified Speaker - Analyst

Sure. Secondly, sir, on gold loan, what is your outstanding gold loan on agri side, and what is the yield that you charge on gold loan, both on retail and agri?

Challa Sreenivasulu Setty - Chairman, State Bank of India

Ram?

Rama Mohan Rao Amara - Managing Director (Retail Business & Operations), State Bank of India

Our personal gold loans, just one sec. Is of the order of INR1.25 trillion and Agri Gold Loans is of the order of INR1.85 trillion. Both put together, we crossed INR3.1 trillion as on June.

Unidentified Speaker - Analyst

The yield, sir?

Rama Mohan Rao Amara - Managing Director (Retail Business & Operations), State Bank of India

Typically, they are in the range of 8.5%-8.9%.

Challa Sreenivasulu Setty - Chairman, State Bank of India

The personal gold loan is slightly higher and Agri probably is lower.

Unidentified Speaker - Analyst

Sir, actually, this is an observation. You are growing retail Gold Loan at 100% almost, right? This is one product where there's no competition from private banks, large private. There are small players, regional players, which are reasonably active, and their yields are 10%-11%, if not higher. This is the only product where you're growing at 100% almost. Industry is also growing at 100%, and the entire growth is contributed by PSU banks, right? There's no competition. The yields that you're charging is actually much, much lower than comparable private peers. Is there a scope to increase the yield here or you think this will remain like this?

Challa Sreenivasulu Setty - Chairman, State Bank of India

We will definitely be looking at, I think we have enhanced the yield on Gold Loan over the period. You also must understand, what is the ticket size of this Gold Loan? If lower the ticket size, you have a better option of pricing it better. People are willing to pay in a lower ticket size, but we don't want to get into that lower ticket size. Our average ticket size is almost INR2.5 lakh-INR3 lakh or even more.

Rana Ashutosh Kumar Singh - Managing Director, International Banking, Global Markets & Technology, State Bank of India

Yes, sir. INR2.5 lakh.

Challa Sreenivasulu Setty - Chairman, State Bank of India

INR2.5 lakh. Our loan-to-value is less than 55%, 56%. With this matrix, generally the people who come to us are basically coming for the price. There's not much, we will never be moving to double-digit territory there. I also believe that this gold loan growth need to be seen from an opportunistic point of view. This is not our core portfolio. Today, the growth opportunity is there and there's no capital allocation. The virtual risk rate is zero. From that angle is ROE accretive, well, small compromise on the margins. It is a safe portfolio.

Unidentified Speaker - Analyst

Sir, lastly, on personal loan side, right? RBI data suggests that banking industry is growing at around 10%, 11% personal loan. Same is the case with SBI and let's say large private. If I look at other lenders, like NBFCs, they are growing at 20%, 25% on the personal loan side. Maybe they are targeting self-employed segment.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Yeah.

Unidentified Speaker - Analyst

It looks like banks are shying away from that segment.

Challa Sreenivasulu Setty - Chairman, State Bank of India

So one of the reasons, I don't know whether I mentioned with you, is that the deeper penetration of a product is not there. For example, you take our Xpress Credit. 99% of the borrowers are salaried customers. If you want to go to a self-employed and professional category, even if they're good quality customers, you need to have a strong collection mechanism. I think the differentiator between mainstream banks and NBFCs is the collection mechanism. We also realized that we need to increase the depth of each of our product, whether it is home loan or personal loan or many other products. Even MSME, for instance, that collection-intensive segments are not tapped by us despite having our pricing power reach. We have, for the first time, embarked on creating a full-fledged collection vertical. Is our Cesium collection is there here? Yes. Hemant is our head of collection vertical. He will be driving the full-scale collection mechanism to be built. We are building from scratch because virtually, in a bank like SBI and Xpress Credit, let me tell you, 75%-76% of the recoveries happen by way of moving funds from savings bank account to loan account. That is not collection. Correct? You need to have a very strong collection mechanism to take these products to self-employed and professionals, where our yield improvement will happen. Before we get into that segment, we want to ensure that our collection mechanism is strong, robust, and our field staff is available to us. We are creating feet on street across the country. Almost 6,000 is our estimated number, which we'll be deploying in feet on street through our SBOSS, that is our subsidiary. We are extensively using our analytical and AI capabilities to develop the models and combine feet on street, branch network, and contact center to create an ecosystem of collection. That would help me to go into the product range, what you are looking for. While we have the product, we have to deepen them.

Unidentified Speaker - Analyst

So is that a one year target or it could be more?

Challa Sreenivasulu Setty - Chairman, State Bank of India

This is one year. All other elements are in place except that we need to get feet on street, because they're qualified people, we don't want to have any reputational risk. We have to train them well. We have to bring the DNA of SBI in their activities.

Unidentified Speaker - Analyst

Right. Lastly, sir, if you can answer the pension provisions. On a full year basis, are we passing that hump wherein the pension provision should start declining irrespective of interest rate cycle, depending on the employees who are on the defined contribution, defined benefit proportion?

Challa Sreenivasulu Setty - Chairman, State Bank of India

It is happening. I think the pension is a combination of what contribution we are making to the regular contribution, which we are required to make. That seems to be on a declining trend. The real impact will be post 2035, because 2010 is where NPS is introduced. Till that time it will be an incremental decrease, but I think significant decrease will come post-2035, I think. Right? We also are getting benefit of actuarial assessments and many other things, I think that is reducing the pension. You want to add anything on Aninday on this?

Anindya Sunder Paul - Deputy Managing Director of Finance, State Bank of India

Sir, the pension, MTM gains on pension and gratuity fund, if I compare, this quarter was INR935 crore. Quarter one was INR1,125 crore. Every quarter they actually comes and revalues it, and depending upon the yields and all, it is made.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Yeah, in terms of cost, I think significant reduction you will see in maybe three, four years later.

Parameswaran Subramanian - Analyst, Investec

Hi, sir. Param here from Investec. Firstly, congrats on the quarter. First question, on the ECL. A number of your public sector peers have given out numbers on broad impact on a run rate credit cost, as well as the one-time net worth hit. If you can call out something, if we've done an assessment on that.

Challa Sreenivasulu Setty - Chairman, State Bank of India

If you're looking at a number, I'm not giving any number at this moment. For two reasons. One is, of course, I did promise that in Q1 results, we would be able to give some number. It took longer than what we expected in terms of pushing the whole data into our IT systems. My team tells me that 18th August, probably they would be pushing all the models and data into the IT system. The correct way of doing it is that probably when we meet again in Q2, we'll give you the numbers. One assurance I can give you, it will not have any major impact for two reasons. One is, we will have some capital augmentation because of the mutual fund and hopefully on the other divestment, major divestment, which we are planning. We also intend to take the regulatory dispensation of transitioning, which means that annual impact would be less on the CRAR.

Parameswaran Subramanian - Analyst, Investec

Okay, sir. Sir, on the run rate credit cost, right? There will be a bump up. Most banks are talking about it. I want to ask you, sir, conceptually, since you are the lender who sets the prices in the market, will this be passed on to the customer? Say, if it's 10 basis points, 12 basis points, will this be passed on to the consumer? Logically, most of your loans are EBLR+ risk, and if the cost of risk is going up because of ECL, will that be passed through in a lending rate as well?

Challa Sreenivasulu Setty - Chairman, State Bank of India

At this juncture, it is hypothetical because, first of all, we don't know what could be the run rate on. Much of the stock will be absorbed, right? On the 1st of April 2027. All of us are looking at strengthening our collection mechanisms. Again, I forgot to mention that ECL is also one of the compulsions what we need to strengthen our collections. Our roll forwards from any of these SMAs is very limited into NPS. Stage 1 and 2 hardly become stage 3 for us. We still have floor rates to handle on SMA 1 and 2, which probably would have some run rate impact. We don't currently envisage very major impact which forces us to pass on as a cost to the customers. We should be able to absorb those costs Unless there is a credit cycle moment. If credit cycle moves adversely and those costs go beyond certain level, it may happen, but I think I don't foresee In the first year, I think everyone will be fine-tuning their models, watching how to improve the positions instead of looking to immediately pass on the cost.

Parameswaran Subramanian - Analyst, Investec

Any numbers on, say, SMA 1 and 2 at a bank level, regardless of ticket size?

Challa Sreenivasulu Setty - Chairman, State Bank of India

At this juncture?

Parameswaran Subramanian - Analyst, Investec

Yeah.

Challa Sreenivasulu Setty - Chairman, State Bank of India

We have never disclosed those numbers.

Parameswaran Subramanian - Analyst, Investec

Okay.

Challa Sreenivasulu Setty - Chairman, State Bank of India

They're very dynamic.

Parameswaran Subramanian - Analyst, Investec

Sir, question on the FCNR. You mentioned a number about \$10 billion. We've already done more than half of that. We've seen that generally the FCNR flows based on the last episode, it tends to be back-ended. Why are we talking about a number that appears low from where we are? How are we approaching the problem in the sense that should we be going out to get as much as we can get, or are we setting ourselves a target that we want to achieve so much and we will achieve.

Challa Sreenivasulu Setty - Chairman, State Bank of India

No, we don't have any target in mind, honestly. I also don't think that it will be back-ended as much what we have seen in 2013. Most of the back-ending in 2013 happened because the leverage confusion was there, and most of the public sector bank adopted leverage in the later part. SBI alone, the 70% of our deposit was raised in the last period, in last cycle. This time, there's no confusion on leverage. There's no confusion on whether you can give SBLC and non-SBLC. Flows seem to be more spread out. Some movement definitely will be there, last mile, some people may come. Our estimate is based on the inquiries, visibility, and customer outreach, what we are doing. We may exit also, I'm not very sure, but it appears that \$10 billion seems to be a reasonable number.

Parameswaran Subramanian - Analyst, Investec

One last question. I think this was asked earlier. There was a INR1,269 crore other provisions in this quarter. Is that a prudential provision that was made in this.

Anindya Sunder Paul - Deputy Managing Director of Finance, State Bank of India

No, it's a mistake. The 1,269 mostly consists of the PLI provisions.

Challa Sreenivasulu Setty - Chairman, State Bank of India

The PLI provision, we back-ended last year, but we decided to spread out four quarters this year.

Parameswaran Subramanian - Analyst, Investec

Okay, thank you so much. Congrats once again.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Thank you.

Pritesh Bumb - Analyst, DAM Capital Advisors

Sir Pritesh from DAM Capital. Sir, two questions. One is on the Corporate yield side. Once we see a

significant flow of FCNR, the liquidity will obviously go up. How do you see yields after September, especially on the Corporate side? You mentioned about bulk deposit as well. Both side of the leg, how do you see that? The second question is, there is one slide which you have mentioned that a lot of incremental loans are being generated through analytical leads from AI. What does that mean in that sense? What is analytical leads? INR22,000 crore, which is raised in retail, is largely Xpress Credit or any other product?

Challa Sreenivasulu Setty - Chairman, State Bank of India

All types of loans. We use AI models. We've been using for quite some time. This is not new. These analytical leads based on our data analytics, across the product segments are given to our operating people. It could be home loan, it could be Xpress Credit. It even may be gold loan. In some of the analytical leads are generated in gold loan also, for the gold loan purpose and MSME loans. All kinds of spectrum of loans leads are generated and given to the feet on street and branches to convert these leads into business. That aggregated to INR22,000 crore. On the Corporate side, I think the pricing will be more determined not by the liquidity which is available, I think what happens in the market. We've been, I think one of my DMDs has mentioned, the shift from market to bank and bank to market is kind of very fast now. Earlier, we used to have a lag. The market prices, market rates and bonds and CPs go up. People used to take long time to come back to banks. They seem to be allocating. The shift is very fast. I believe that the Corporate pricing will be more determined by what is the CP rates and NCD rates, which again, will be determined by the liquidity in the system. There could be some moderation there. As I mentioned right in the beginning, as far as SBI is concerned, we have conveyed our pricing expectations. I don't think that we will deviate too significantly from that path.

Pritesh Bumb - Analyst, DAM Capital Advisors

Thank you sir. Thank you.

Jai Mundhra - Analyst, ICICI Securities

Hi sir. Am I audible?

Challa Sreenivasulu Setty - Chairman, State Bank of India

Yeah,

Jai Mundhra - Analyst, ICICI Securities

Just few questions. Firstly, on this INR1,269 crore other provisions, you said it's all for PLI? No.

Challa Sreenivasulu Setty - Chairman, State Bank of India

No, partly.

Jai Mundhra - Analyst, ICICI Securities

INR750- odd crore.

Challa Sreenivasulu Setty - Chairman, State Bank of India

INR700-INR800 is PLI.

Jai Mundhra - Analyst, ICICI Securities

You're amortizing it this year?

Challa Sreenivasulu Setty - Chairman, State Bank of India

Yeah. So every quarter we are making that amortization. Amortization. See, expected PLI is around INR3,000 crore. Instead of taking in the last quarter, we are taking every quarter one fourth of that.

Jai Mundhra - Analyst, ICICI Securities

Understood. Secondly, on your current deposit growth, current accounts, like last quarter it was low, we said that there was a base effect. There were flows in 4Q FY 2025, due to which the YoY growth was low. This time again, it has been only 4%-5% YoY. What exactly are the reasons for this, and what are we doing to improve this?

Challa Sreenivasulu Setty - Chairman, State Bank of India

Current account, I think we have performed better than the industry. If you really see in absolute numbers, we used to have mostly sequential declines that will continue. The current account overall market is going through a difficult time. What is interesting, what I mentioned last quarter also, I have seen in this Q1 too, is that while the governmental current accounts are virtually drying up, we have had 14% growth?

Anindya Sunder Paul - Deputy Managing Director of Finance, State Bank of India

14% growth in non-governmental.

Challa Sreenivasulu Setty - Chairman, State Bank of India

14% growth in non-governmental deposit. This is what is actually very interesting to note, that while we've been one of the biggest current account holders for the government balances, that is drying up. Still, we are holding on the current account market share because our penetration in the non-governmental is increasing significantly. 14% growth rate on the non-governmental. So I think we are doing fairly well. We can do much better, but I think overall current account balances in the system are going to go down.

Jai Mundhra - Analyst, ICICI Securities

Got it. Sir, secondly, our forex revenues, our forex fee income was just INR500 crore. Is that because of the NOP guidelines?

Challa Sreenivasulu Setty - Chairman, State Bank of India

You want to say something Shamsher?

Shamsher Singh - Deputy Managing Director, State Bank of India

Yes, sir. The guidelines have definitely affected the entire market, including us. We should be moving probably to, not normal levels, but we'll be making more profits going forward. The INR1,000 crore increase over the last quarter- has been mostly because of those changes.

Jai Mundhra - Analyst, ICICI Securities

No, is it now here to stay at this level, INR500 crore?

Shamsher Singh - Deputy Managing Director, State Bank of India

No. Market is picking up. Other revenues are also opening up. At the initial stage, the guidelines were also very strict. Hopefully there will be more revenue that comes from it.

Jai Mundhra - Analyst, ICICI Securities

Understood. Okay. Sir, if I may squeeze in one last question. Sir, in one of your interviews you spoke

about listing SBI General Insurance also.

Challa Sreenivasulu Setty - Chairman, State Bank of India

Did I? Anyway, I did mention two companies which could be potential candidates for listing, and one company anyway, we listed. The other company, I've not given any timeline. I'm still sticking that SBI General is the next candidate for listing, but no timeline.

Pawan Kumar Chandel - Manager, Performance Planning and Review Department, State Bank of India

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

Challa Sreenivasulu Setty - Chairman, State Bank of India

This is a question from Sneha Ganatra. Is FCNR deposit is also covered under insurance? Yes, FCNR deposits are also covered up to INR5 lakh under DICGC insurance cover. Vishal Gupta, the bank has revised FY'27 loan growth guidance to 13%-15% from 12%-14% with segments retail, SME, Corporate, or agriculture. By the way, we have revised our Corporate 14%-15% credit growth. Credit growth remained, as I mentioned, broad-based, and we expect that it continues to be broad-based. Bunty Chawla, expected amount of FCNR deposit to be raised and its impact on cost of deposits. I think we fairly answered this question. About INR1 trillion would be our total deposit mobilization, and we don't see any significant impact on the cost of deposits. Nasir Sheikh, fresh slippages increased sequentially in Q1. Could you provide more color? During Q1 2027 our fresh slippages were INR7,046 crore, out of which we already pulled back INR1,400 crore as on date. Segmental numbers are also given, but I'll just read out. Agri INR2,600 crore, SME INR2,300 crore, personal segment INR2,100 crore. Anand Agarwal, was there any one-off in non-interest income? What was the amount of dividend from subsidiary this quarter versus Q1 last year? There's no such one-off in non-interest income. Dividend income during Q1 was INR72 crore in Q1 FY 2026, INR31 crore in Q1 FY'27. Normally dividends get paid only in Q3 and Q4. Mayur Parkeria, impact of FCNR on NIM. I think we already answered this question. Subramaniam Ramaswamy, don't you all think that the guidance of 14%-15% being too conservative compared to your past performance so far? We did explain that due to base impact, our year-on-growth is more than 18%, and our expected growth guidance is essentially based on the nominal GDP and what we grow over nominal GDP. Subramanian Iyer, Morgan Stanley, request you to help us with the number for the interest on income tax refund. Interest on income tax refund was INR220 crore. Thank you.

Pawan Kumar Chandel - Manager, Performance Planning and Review Department, State Bank of India

Thank you, Chairman, sir. 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, sir, DM, 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 this event. To round off this meeting, we request you all present here to join us for high tea, which is arranged just outside this hall. Thank you. Thank you so much.