भारतीय स्टेट बँक
भारतीय स्टेट बैंक
State Bank of India

शेयर आणि बॉन्ड विभाग, कॉर्पोरेट केन्द्र, 14वा माळा, स्टेट बँक भवन,
मादाम कामा रोड, मुंबई - 400 021.
शेयर एवं बॉन्ड विभाग, कारपोरेट केन्द्र, 14वाँ तल, स्टेट बैंक भवन,
मादाम कामा रोड, मुंबई - 400 021.
Shares & Bonds Department, Corporate Centre, 14th Floor, State Bank Bhavan,
Madame Cama Road, Mumbai - 400 021.

Tel. : 91-22-2274 0841 - 48 (Eight Lines) | **Fax :** 91-22-2285 5348 | **E-mail:** gm.snb@sbi.co.in

Date :

Ref. No.: 11.11.2016
CC/S&B/SA/1769

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

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

Dear Sir/Madam,

WORKING FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30th SEPTEMBER 2016

In terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (the "listing regulations"), we forward herewith copy of the working financial results of the Bank for the second quarter and half year ended 30.09.2016 approved by the Central Board of the Bank at its meeting held at Mumbai on 11.11.2016, along with the Limited Review Report.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

(Sanjay M Abhyankar)
Vice President Compliance- Company Secretary

Encl: as above

STATE BANK OF INDIA

Corporate Centre, Mumbai - 400 021

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/ HALF-YEAR ENDED 30TH SEPTEMBER 2016

(Rs. in Crore)

S. No	Particulars	State Bank of India (Standalone)						State Bank of India (Consolidated)					
		Quarter ended			Half-Year ended		Year ended	Quarter ended			Half-Year ended		Year ended
		30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
1	Interest Earned (a) + (b) + (c) + (d)	42318.85	41593.52	40657.56	83912.37	80300.45	163685.31	56287.87	55915.09	54977.28	112202.96	108723.49	220319.75
	(a) Interest/discount on advances / bills	29933.82	29883.76	28981.65	59817.58	57563.31	115666.01	39656.09	39989.74	39405.42	79645.83	78445.57	157001.75
	(b) Income on Investments	11385.23	10704.39	10564.66	22089.62	20584.07	42303.98	15308.04	14626.24	14140.09	29934.28	27532.94	56462.19
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	194.44	182.64	179.93	377.08	414.20	621.07	300.40	315.80	355.94	616.20	706.04	1112.24
	(d) Others	805.36	822.73	931.32	1628.09	1738.87	5094.25	1023.34	983.31	1075.83	2006.65	2038.94	5743.57
2	Other Income	8424.14	7335.08	6197.25	15759.22	11285.23	28158.36	16630.54	13499.73	11851.53	30130.27	21269.82	53141.38
3	TOTAL INCOME (1+2)	50742.99	48928.60	46854.81	99671.59	91585.68	191843.67	72918.41	69414.82	66828.81	142333.23	129993.31	273461.13
4	Interest Expended	27881.39	27281.21	26405.01	55162.60	52315.87	106803.49	36806.09	36366.74	35675.04	73172.83	70646.94	143047.36
5	Operating Expenses (i) + (ii)	11637.28	10593.53	10183.91	22230.81	19801.82	41782.37	21289.92	18498.85	17664.44	39788.77	33524.30	74307.17
	(i) Employee cost	6853.19	6256.55	6142.09	13109.74	12048.47	25113.83	8750.55	8196.02	7888.44	16946.57	15594.99	32525.60
	(ii) Other Operating Expenses	4784.09	4336.98	4041.82	9121.07	7753.35	16668.54	12539.37	10302.83	9776.00	22842.20	17929.31	41781.57
6	TOTAL EXPENDITURE (4) + (5) (excluding Provisions and Contingencies)	39518.67	37874.74	36588.92	77393.41	72117.69	148585.86	58096.01	54865.59	53339.48	112961.60	104171.24	217354.53
7	OPERATING PROFIT (3 - 6) (before Provisions and Contingencies)	11224.32	11053.86	10265.89	22278.18	19467.99	43257.81	14822.40	14549.23	13489.33	29371.63	25822.07	56106.60
8	Provisions (other than tax) and Contingencies (net-of-write-backs)	7896.72	7413.10	4360.60	15309.82	8360.33	29483.75	15013.07	13130.51	5742.10	28143.58	11036.58	37929.82
	--- of which provisions for Non-performing assets	7669.66	6339.56	3841.77	14009.22	7200.35	26984.14	15326.91	11353.57	5330.96	26680.48	9640.34	35111.19
9	Exceptional Items	-	-	-	-	-	-	-	-	-		-	-
10	Profit from Ordinary Activities before tax (7-8-9)	3327.60	3640.76	5905.29	6968.36	11107.66	13774.06	-190.67	1418.72	7747.23	1228.05	14785.49	18176.78
11	Tax expenses	789.28	1119.80	2026.22	1909.08	3536.16	3823.41	-74.02	551.40	2591.88	477.38	4776.54	5433.50
12	Net Profit from Ordinary Activities after tax (10-11)	2538.32	2520.96	3879.07	5059.28	7571.50	9950.65	-116.65	867.32	5155.35	750.67	10008.95	12743.28
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-	-	-			-
14	Net Profit for the period (12-13)	2538.32	2520.96	3879.07	5059.28	7571.50	9950.65	-116.65	867.32	5155.35	750.67	10008.95	12743.28
15	Share in profit of Associates							94.73	68.89	35.47	163.62	97.42	275.82
16	Share of Minority							-42.62	-109.79	199.12	-152.41	401.10	794.51
17	Net Profit after Minority Interest (14+15-16)	2538.32	2520.96	3879.07	5059.28	7571.50	9950.65	20.70	1046.00	4991.70	1066.70	9705.27	12224.59
18	Paid-up equity share capital (Face Value of Re. 1 per share)	776.28	776.28	776.28	776.28	776.28	776.28	776.28	776.28	776.28	776.28	776.28	776.28
19	Reserves excluding Revaluation Reserves (As per Balance Sheet of previous acccounting year)						143498.16						178442.05
20	Analytical Ratios												
	(i) Percentage of shares held by Government of India	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%	60.18%
	(ii) Capital Adequacy Ratio (Basel III)	13.94%	14.01%	12.17%	13.94%	12.17%	13.12%						
	(a) CET 1 Ratio	10.28%	10.71%	9.87%	10.28%	9.87%	9.81%						
	(b) Additional Tier 1 Ratio	0.57%	0.11%	0.04%	0.57%	0.04%	0.11%						
	(iii) Earnings Per Share (EPS) (in Rs.)												
	(a) Basic and diluted EPS before Extraordinary items (net of tax expense) (Quarter numbers not annualised)	3.27	3.25	5.08	6.52	9.98	12.98	0.03	1.35	6.54	1.37	12.79	15.95
	(b) Basic and diluted EPS after Extraordinary items (Quarter numbers not annualised)	3.27	3.25	5.08	6.52	9.98	12.98	0.03	1.35	6.54	1.37	12.79	15.95
	(iv) NPA Ratios												
	(a) Amount of gross non-performing assets	105782.96	101541.18	56834.28	105782.96	56834.28	98172.80						
	(b) Amount of net non-performing assets	60013.45	57420.98	28591.96	60013.45	28591.96	55807.02						
	(c) % of gross NPAs	7.14%	6.94%	4.15%	7.14%	4.15%	6.50%						
	(d) % of net NPAs	4.19%	4.05%	2.14%	4.19%	2.14%	3.81%						
	(v) Return on Assets (Net Assets basis-Annualised)	0.44%	0.44%	0.75%	0.44%	0.73%	0.46%						

Unaudited Segment-wise Revenue, Results, Assets & Liabilities

(Rs. in Crore)

S. No.		Particulars	State Bank of India (Standalone)						State Bank of India (Consolidated)					
			Quarter ended			Half-Year ended		Year ended	Quarter ended			Half-Year ended		Year ended
			30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	30.09.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (Audited)
1		Segment Revenue (income)												
	a	Treasury Operations	14717.92	14211.83	12525.02	28929.75	24113.88	49572.24	18617.45	17941.50	15822.47	36558.95	30400.59	61912.83
	b	Corporate / Wholesale Banking Operations	15046.58	14949.14	15782.69	29995.72	30893.72	63983.80	21114.73	20961.51	22049.64	42076.24	43762.69	89134.11
	c	Retail Banking Operations	20971.66	19735.84	18542.23	40707.50	36518.21	76531.65	26278.01	25437.96	24181.48	51715.97	47583.68	99550.50
	d	Insurance Business							6744.69	4963.75	4683.51	11708.44	8275.42	21460.12
	e	Other Banking Operations							1522.45	1281.63	1152.81	2804.08	2222.57	4869.88
	f	Add / (Less) : Unallocated	6.83	31.79	4.87	38.62	59.87	1755.98	19.39	63.98	5.27	83.37	74.19	1800.62
		Total	50742.99	48928.60	46854.81	99671.59	91585.68	191843.67	74296.72	70650.33	67895.18	144947.05	132319.14	278728.06
		Less : Inter Segment Revenue							1378.31	1235.51	1066.37	2613.82	2325.83	5266.93
		Net Segment Revenue (Income)	50742.99	48928.60	46854.81	99671.59	91585.68	191843.67	72918.41	69414.82	66828.81	142333.23	129993.31	273461.13
2		Segment Results (Profit before tax)												
	a	Treasury Operations	3552.27	4087.43	1950.64	7639.70	3789.27	8246.77	4325.04	4828.97	2393.92	9154.01	4269.83	9071.69
	b	Corporate / Wholesale Banking Operations	-3277.08	-4262.69	683.65	-7539.77	1608.30	-11466.70	-6319.16	-6419.41	962.00	-12738.57	2546.66	-11271.53
	c	Retail Banking Operations	4044.81	4857.26	4034.47	8902.07	7336.08	18967.10	2304.44	3641.81	4832.35	5946.25	8980.75	20936.37
	d	Insurance Business							264.87	311.80	220.71	576.67	470.12	932.55
	e	Other Banking Operations							452.17	299.64	320.74	751.81	590.63	1375.21
		Total	4320.00	4682.00	6668.76	9002.00	12733.65	15747.17	1027.36	2662.81	8729.72	3690.17	16857.99	21044.29
	f	Add / (Less) : Unallocated	-992.40	-1041.24	-763.47	-2033.64	-1625.99	-1973.11	-1218.03	-1244.09	-982.49	-2462.12	-2072.50	-2867.51
		Profit from Ordinary Activities Before Tax	3327.60	3640.76	5905.29	6968.36	11107.66	13774.06	-190.67	1418.72	7747.23	1228.05	14785.49	18176.78
		Less : Tax Expenses	789.28	1119.80	2026.22	1909.08	3536.16	3823.41	-74.02	551.40	2591.88	477.38	4776.54	5433.50
		Less : Extraordinary Profit / Loss	-	-	-	-	-	-	-	-	-			-
		Net Profit before share in profit of Associate and Minority Interest	2538.32	2520.96	3879.07	5059.28	7571.50	9950.65	-116.65	867.32	5155.35	750.67	10008.95	12743.28
		Add: Share in profit of Associates							94.73	68.89	35.47	163.62	97.42	275.82
		Less: Share of Minority							-42.62	-109.79	199.12	-152.41	401.10	794.51
		Net Profit *	2538.32	2520.96	3879.07	5059.28	7571.50	9950.65	20.70	1046.00	4991.70	1066.70	9705.27	12224.59
3		Segment Assets												
	a	Treasury Operations	673743.41	619612.77	581603.42	673743.41	581603.42	507261.72	817052.45	759056.57	723212.65	817052.45	723212.65	651194.08
	b	Corporate / Wholesale Banking Operations	841474.60	875360.02	835652.24	841474.60	835652.24	874603.31	1086778.72	1130854.74	1081868.53	1086778.72	1081868.53	1131334.93
	c	Retail Banking Operations	862097.98	772063.05	688837.90	862097.98	688837.90	857750.16	1067796.43	971857.46	870523.13	1067796.43	870523.13	1054672.01
	d	Insurance Business							94410.93	89287.89	79811.14	94410.93	79811.14	87073.44
	e	Other Banking Operations							19005.44	18304.11	15679.01	19005.44	15679.01	17298.70
	f	Unallocated	8198.44	7362.21	4332.61	8198.44	4332.61	19447.84	14819.31	12760.35	10171.40	14819.31	10171.40	29324.48
		Total	2385514.43	2274398.05	2110426.17	2385514.43	2110426.17	2259063.03	3099863.28	2982121.12	2781265.86	3099863.28	2781265.86	2970897.64
4		Segment Liabilities												
	a	Treasury Operations	448030.09	394252.03	374536.36	448030.09	374536.36	292776.35	511894.70	455745.26	438450.75	511894.70	438450.75	359351.71
	b	Corporate / Wholesale Banking Operations	792989.93	822984.79	753207.71	792989.93	753207.71	796500.56	1060744.06	1096555.98	1022506.59	1060744.06	1022506.59	1074172.76
	c	Retail Banking Operations	902197.52	825247.70	789919.61	902197.52	789919.61	965368.29	1130500.61	1047205.92	989033.88	1130500.61	989033.88	1182374.63
	d	Insurance Business							88270.95	83586.88	74582.96	88270.95	74582.96	81602.86
	e	Other Banking Operations							13665.80	13278.99	10928.98	13665.80	10928.98	12473.12
	f	Unallocated	61372.23	52803.80	47205.35	61372.23	47205.35	60143.39	79148.17	71695.24	65063.71	79148.17	65063.71	80330.19
		Capital and Reserves & Surplus	180924.66	179109.73	145557.14	180924.66	145557.14	144274.44	215638.99	214052.85	180698.99	215638.99	180698.99	180592.37
		Total	2385514.43	2274398.05	2110426.17	2385514.43	2110426.17	2259063.03	3099863.28	2982121.12	2781265.86	3099863.28	2781265.86	2970897.64

*Segments Net Results are arrived after taking the effects of Transfer Pricing.

Summarised Statement of Assets & Liabilities

(Rs. in Crore)

S. No.		Particulars	Standalone				Consolidated			
			30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (audited)	30.09.2016 (Unaudited)	30.06.2016 (Unaudited)	30.09.2015 (Unaudited)	31.03.2016 (audited)
1		Capital and Liabilities								
	a	Capital	776.28	776.28	776.28	776.28	776.28	776.28	776.28	776.28
	b	Reserves & Surplus	180148.38	178333.45	144780.86	143498.16	214862.71	213276.57	179922.71	179816.09
	c	Minority Interest					6546.33	6176.19	5979.89	6267.40
	d	Deposits	1858999.40	1782370.64	1634114.51	1730722.44	2392965.47	2311338.26	2133521.17	2253857.56
	e	Borrowings	236876.12	217470.64	225470.19	224190.59	263385.11	247745.99	255495.55	258214.39
	f	Other liabilities and Provisions	108714.25	95447.04	105284.33	159875.56	221327.38	202807.83	205570.26	271965.92
		Total Capital and Liabilities	2385514.43	2274398.05	2110426.17	2259063.03	3099863.28	2982121.12	2781265.86	2970897.64
2		Assets								
	a	Cash and balances with RBI	87192.22	80733.00	78288.20	129629.33	112492.34	105421.47	100191.59	160424.57
	b	Balances with Banks and money at call and short notice	54235.57	41173.49	32329.08	37838.33	62664.80	46870.13	42249.33	43734.90
	c	Investments	648201.76	590268.30	567404.08	477097.27	892312.13	830112.07	784757.71	705189.08
	d	Advances	1433554.28	1416485.31	1337153.16	1463700.42	1828557.26	1820307.81	1721890.56	1870260.89
	e	Fixed Assets	42725.23	42507.44	9637.81	10389.28	50226.12	47392.80	12830.04	15255.68
	f	Other Assets	119605.37	103230.51	85613.84	140408.40	153610.63	132016.84	119346.63	176032.52
		Total Assets	2385514.43	2274398.05	2110426.17	2259063.03	3099863.28	2982121.12	2781265.86	2970897.64

The above results have been approved by the Central Board of the Bank at the meeting held on 11th November 2016 and were subjected to "Limited Review" by the Bank's Statutory Central Auditors.

Place : Mumbai
Date : 11.11.2016

Dinesh Kumar Khara
MD (A&S)

P K Gupta
MD (C&R)

Rajnish Kumar
MD (NBG)

B Sriram
MD (CBG)

Arundhati Bhattacharya
CHAIRMAN

Notes:

1 The financial results have been drawn from financial statements prepared in accordance with Accounting Standards (AS-25) on 'Interim Financial Reporting'.

2 The above results have been reviewed by the Audit Committee of the Board at their meeting held on November 10, 2016 and approved by the Board of Directors at their meeting held on November 11, 2016. The results have been subjected to a limited review by the Statutory Central Auditors.

3 The financial results for the quarter/half year ended September 30, 2016 have been arrived at after considering necessary provisions for NPAs, Standard Assets, Standard Derivative Exposures and Investment Depreciation on the basis of prudential norms issued by the RBI. Provisions for Contingencies, Employee Benefits including provision for wage revision, Direct Taxes (after adjustment for Deferred Tax) and for other items / assets are made on estimated basis.

4 There are no material changes in the Significant Accounting Policies adopted during the quarter/half year ended September 30, 2016 as compared to those followed in the annual financial statements for the year ended March 31, 2016, except as mentioned in Note 6.

5 RBI Circular DBOD.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015 on Basel III Capital Regulations read together with RBI Circular No. DBR.No.BP. BC.80/21.06.201/2014-15 dated March 31, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards Amendments requires Banks to make applicable Pillar 3 Disclosures including leverage ratio and liquidity coverage ratio under the Basel III framework. These disclosures as of September 30, 2016 are placed on the Bank's Website http://www.sbi.co.in.

6 **Revaluation of Fixed Assets:-**

a) During the half year ended September 30, 2016, the bank has revalued immovable properties based on the reports obtained from the external independent valuers. The revaluation surplus has been credited to revaluation reserve as on June, 30, 2016 and the closing balance of revaluation reserve as at September, 30, 2016 is ₹ 31830.26 Crore.

b) In terms of RBI circular No.DBR No.BP.BC.83/21.06.201/2015-16 dated 01.03.2016 on Basel III capital regulations, the revaluation reserves have been reckoned as CET I Capital at a discount of 55%.

7 In respect of unamortized loss on sale of assets sold to ARCs in the previous years, the bank has amortized ₹ 318 Crore during the current quarter (Half year ended 30.09.2016 ₹ 635 Crore) in accordance with the circular of RBI. The gross amount of the Current half year's Loss on Sale of loan assets to ARCs of ₹ 36 Crore is being amortized in accordance with RBI circular dated June 13, 2016. The aggregate unamortized amount of such losses as on September 30, 2016 is ₹ 516 Crore.

8 State Bank of India at the meeting of its Board of Directors held on September 29, 2016, approved the scheme of acquisition of its five subsidiaries and Bhartiya Mahila Bank Ltd. for acquiring their business including assets and liabilities under section 35(1) of State Bank of India Act, 1955. The Scheme of Acquisition has been submitted to RBI, for its approval and further action.

9 Provision Coverage Ratio as on September 2016 was 62.12%

10 The Bank has received 39 Investors' complaints during the quarter ended September 30, 2016 which have been disposed off. There were no pending Investors' complaints either at the beginning or end of the quarter.

11 Previous period/year figures have been regrouped / reclassified, wherever necessary, to conform to current period classifications.

Dinesh Kumar Khara
MD (A&S)

P K Gupta
MD (C&R)

Rajnish Kumar
MD (NBG)

B Sriram
MD (CBG)

Arundhati Bhattacharya
Chairman

For Varma & Varma
Chartered Accountants

Cherian K Baby
Partner : M.No.016043
Firm Regn. No. 004532 S

For V Sankar Aiyar & Co.
Chartered Accountants

G Sankar
Partner : M No.046050
Firm Regn. No.109208 W

For Mehra Goel & Co.
Chartered Accountants

Nitish Kumar Chug
Partner : M.No.512742
Firm Regn. No. 000517 N

For S N Mukherji & Co.
Chartered Accountants

Sudip K Mukherji
Partner : M No.013321
Firm Regn. No. 301079 E

For S R R K Sharma Associates
Chartered Accountants

S Ananda Krishna
Partner : M No.027986
Firm Regn. No.003790 S

For B Chhawchharia & Co.
Chartered Accountants

Kshitiz Chhawchharia
Partner : M.No.061087
Firm Regn. No. 305123 E

To
The Board of Directors
State Bank of India,
State Bank Bhavan,
Madame Cama Road,
Mumbai- 400021

LIMITED REVIEW REPORT ON UNAUDITED FINANCIAL RESULTS OF STATE BANK OF INDIA FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

1. We have reviewed the accompanying statement of unaudited standalone financial results of State Bank of India for the quarter ended September 30, 2016 and the standalone year to date financial results for the period April 1, 2016 to September 30, 2016, attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for the disclosure relating to 'Consolidated Pillar 3 Disclosure as at September 30, 2016, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations' as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results not reviewed by us. This statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of the bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. The financial results incorporate the relevant returns of 42 branches reviewed by us, 54 foreign branches out of which 36 reviewed by the Local Auditors of the foreign Branches and 18 certified by respective branch managers and unreviewed returns in respect of 17,327 branches. The financial results also incorporate the relevant returns of Corporate Accounts Group and Global Market Units. In the conduct of our review we have relied on the review reports in respect of non-performing assets certified by the Branch Managers of the bank of 767 branches and 38 Internal Concurrent Auditors. These review reports cover 60.47% percent of the advances portfolio of the bank and 90.62% of the non-performing assets of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the unreviewed branches of the bank.

4. Based on our review conducted as above and subject to limitations in scope as mentioned in para 3, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results including notes thereon prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India.

5. **Emphasis of Matter**

We draw attention to Note No 7 of Standalone financial results regarding Non-amortization of ₹ 516 Crores on account of loss on sale of assets to Reconstruction Companies.

Our conclusion is not qualified in respect of the above stated matter.

For Varma & Varma
Chartered Accountants
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Firm Regn. No. 004532 S

For Mehra Goel & Co.
Chartered Accountants
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For S R R K Sharma Associates
Chartered Accountants
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For V Sankar Aiyar & Co.
Chartered Accountants
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Chartered Accountants
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For Mittal Gupta & Co.
Chartered Accountants
Akshay Kumar Gupta
Partner : M.No. 070744
Firm Regn. No. 001874 C

Place : Mumbai
Date : November 11, 2016.

Varma & Varma
Chartered Accountants

LIMITED REVIEW REPORT

The Board of Directors,
State Bank of India,
State Bank Bhavan
Madam Cama Road,
Mumbai – 400021

LIMITED REVIEW REPORT ON THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS OF STATE BANK OF INDIA FOR THE HALF YEAR ENDED SEPTEMBER 30, 2016

1. We have reviewed the accompanying statement of unaudited consolidated financial results of State Bank of India (the 'Bank') for the Half Year ended September 30, 2016 which includes:
   a. Results of the Bank which have been reviewed by all the Central Statutory Auditors including us;
   b. Results of 14 Subsidiaries , 1 Joint Venture & 4 Associates reviewed by other Auditors (including 3 Regional Rural Banks);
   c. Results of 2 Subsidiaries audited by other Auditors; and
   d. Un-reviewed results of 15 Subsidiaries, 7 Joint Ventures and 16 Associates (including 15 Regional Rural Banks).

   The above entities together with the Bank are referred to as the 'Group'. These statements are the responsibility of the Bank's management and have been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

Scope of Review:

2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of bank personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. In respect of the unaudited consolidated financial results we did not review:

   a) the statement of reviewed financial results of 14 Subsidiaries and 1 Joint Venture of the Group, as well as statement of audited financial results of 2 subsidiary whose financial results reflect the Group's share of total assets of INR 7,07,019 crores as at September 30, 2016 and the Group's share of total revenues of INR 42,681 crores for the half year ended September 30, 2016 as considered in the consolidated financial results. These financial results have been reviewed/audited by other auditors whose reports on the standalone financials results and on the information and adjustments required for consolidation have been furnished to us, and in our opinion, in so far as it relates to the amounts/information included in respect of such subsidiaries, joint ventures in the unaudited consolidated financial results, is based solely on such reports of the other auditors;

   b) the financial results of 15 Subsidiaries and 7 Joint ventures whose financial results reflect the Group's share of total assets of INR 30,418 crores as at September 30, 2016 and the Group's share of total revenues of INR 1,031 crores for the half year ended September 30, 2016 are not reviewed by their auditors and have been included in the consolidated financial results on the basis of management certified information;

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c) the financial results of 4 Associates which includes 3 Regional Rural Banks, whose financial results reflect the Group's share in profit from associates of INR 89 crores for the half year ended September 30, 2016 are reviewed by their auditors and have been included in the consolidated financial results on the basis of management certified information;

d) the financial results of 16 Associates including 15 Regional Rural Banks, whose financial results reflect the Group's share in profit from associates of INR 78 crores for the half year ended September 30, 2016 are not reviewed by their auditors and have been included in the consolidated financial results on the basis of management certified information.

4. We have relied on the intra group balances and transactions pertaining to the various circles/ units of the bank as certified by the respective joint auditors of the Bank for the purpose of elimination of intragroup balances and transactions.

Conclusion:

5. Based on our review conducted as above and subject to limitations in scope as mentioned in paras 1 and 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

6. **Emphasis of Matter**

We draw attention to Note no. 7 of Consolidated Financial Results regarding additional provision made by domestic banking subsidiaries' amounting to INR 7,104 crores and Note no. 13 regarding non amortization of INR 1,141 crores on account of loss on sale of Assets to Reconstruction Companies.

Our conclusion is not qualified in respect of the above stated matters.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

CHERIAN K BABY
Partner
M. No. 016043

Place: Mumbai
Date: November 11, 2016

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