STATE BANK OF INDIA, HONG KONG
INTERIM DISCLOSURE STATEMENT
SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

I. Profit and Loss Account
For the six months ended 30th September 2022

	30.9.2022 (HK$'000)	30.9.2021 (HK$'000)
INCOME		
Interest income	1,441,838	695,696
Interest expenses	(1,237,243)	(415,736)
Net interest income	204,595	279,960
Other Operating Income		
Gains less losses from dealing in foreign currencies	6,827	5,118
Gains less losses from trading in interest rate derivative	-	-
Gains less losses from non-trading Investments	(1,367)	17,018
Gross fees and commission income (Expenses- NIL)	199,127	32,375
Others	-	-
Total Income	409,182	334,471
EXPENDITURE		
Operating Expenses		
Staff and rental expenses	35,932	31,031
Other expenses less fees and commission expenses	27,783	32,251
Net charge for other provisions	213,942	42,894
Operating Profit before Impairment Losses	131,525	228,295
Impairment losses and provisions for impaired loans and receivables		
- Collective Provision	68,598	-
- Specific Provision	-	-
Profit before Taxation	62,927	228,295
Taxation Expense	(17,268)	(36,323)
Profit after Taxation	45,659	191,972

STATE BANK OF INDIA * Incorporated in India with limited liability * HONG KONG BRANCH

STATE BANK OF INDIA, HONG KONG
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SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

II. Balance Sheet
As at 30 September 2022

	30.09.2022 (HK$'000)	31.03.2022 (HK$'000)
ASSETS		
1. Cash and balances with banks (except those included in amount due from overseas offices)	1,268,318	2,356,914
2. Placement with banks which have a residual contractual maturity of more than one month but not more than 12 months (except those included in amount due from overseas offices)	3,960,570	4,005,229
3. Amount due from overseas offices	66,284,656	69,681,198
4. Trade Bills	3,675,121	3,033,604
5. Certificates of Deposit held		
6. Securities held for trading purposes		
7. Loans and Receivables		
Advances to customers	37,041,584	29,795,676
Advances to banks	5,935,010	3,860,116
Other Accounts (Accrued interest and others)	1,092,757	646,893
Provision for impaired loans and receivables - collective	(361,288)	(291,969)
Provision for impaired loans and receivables - specific	-	-
8. Investment Securities	8,367,414	8,169,603
9. Other Investments		
10. Property, plant and equipment and investment properties	54,817	55,937
Total Assets	127,318,959	121,313,201
LIABILITIES		
1. Deposits and balances of banks (except those included in amount due from overseas offices)	75,895,273	67,898,965
2. Deposits from customers		
i) Demand deposits and current accounts	78,297	226,719
ii) Savings deposits	66,023	90,355
iii) Time, call and notice deposits	4,331,166	3,990,705
3. Amount due to overseas offices	43,526,669	45,247,814
4. Certificates of Deposit issued	-	-
5. Issued Debt Securities	-	-
6. Other liabilities (Accrued interest and others)	3,421,531	3,858,643
7. Other Provisions	-	-
Total Liabilities	127,318,959	121,313,201

STATE BANK OF INDIA HONG KONG BRANCH Incorporated in India with limited liability

STATE BANK OF INDIA, HONG KONG
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III. Additional Information

1. Impaired Loans and Advances

There were no impaired loans and advances to banks as at 30th September 2022 and 31st March 2022.

There were no impaired loans and advances to customers as at 30th September 2022 and 31st March 2022.

2. Derivatives

		30.9.2022 (HK$'000)	31.3.2022 (HK$'000)
a) Notional Amount			
i) Exchange rate contracts		20,536,759	16,669,890
ii) Interest rate contracts		9,380,690	13,639,931
	TOTAL	29,917,449	30,309,821
b) Fair Value of Derivative contracts (Gross)			
i) Exchange rate contracts		(8,653)	(19,601)
ii) Interest rate contracts		1,330	(4,771)
	TOTAL	(7,323)	(24,372)

There are no bilateral netting arrangements and hence there is no effect on the fair value of the derivatives.

3. Off Balance Sheet Exposure other than Derivative Transactions

		30.9.2022 (HK$'000)	31.3.2022 (HK$'000)
Notional Amount			
i) Direct credit substitutes		113,226	114,837
ii) Trade related contingent items		263,033	234,638
iii) Other commitments		4,656,852	5,804,928
	TOTAL	5,033,111	6,154,403

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INTERIM DISCLOSURE STATEMENT
SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

III. Additional Information - continued

4. International Claims

30.9.2022
(HK$ Million)

			Non-Bank Private Sector			
	Banks	Official Sector	Non-Bank financial institutions	Non-financial private sector	Others	Total
Developed countries	1,336	1,306	-	1,450	-	4,092
of which USA	1,175	1,306	-	447	-	2,928
of which Netherland	-	-	-	1,003	-	1,003
Offshore centres	315	391	-	84	-	790
of which Singapore	-	-	-	84	-	84
of which Mauritius	315	-	-	-	-	315
Developing Europe	-	-	-	-	-	-
Developing Latin America and Caribbean	-	-	-	-	-	-
Developing Africa and Middle East	4,453	1,170	-	32	-	5,655
of which UAE	3,333	1,170	-	-	-	4,503
of which Qatar	511	-	-	-	-	511
of which Egypt	435	-	-	-	-	435
Developing Asia-Pacific	77,093	6,477	12,331	18,368	-	114,269
of which India	72,699	6,461	11,366	11,844	-	102,370
International Organisations	-	886	-	-	-	886

31.3.2022
(HK$ Million)

			Non-Bank Private Sector			
	Banks	Official Sector	Non-Bank financial institutions	Non-financial private sector	Others	Total
Developed countries	898	274	-	1,777	-	2,949
of which USA	857	274	-	511	-	1,642
of which Netherland	-	-	-	1,029	-	1,029
Offshore centres	1,141	383	-	168	-	1,692
of which Singapore	-	-	-	89	-	89
of which Mauritius	1,136	-	-	-	-	1,136
Developing Europe	-	-	-	-	-	-
Developing Latin America and	-	-	-	-	-	-
Developing Africa and Middle East	4,969	1,167	-	31	-	6,167
of which UAE	3,462	1,167	-	-	-	4,629
of which Qatar	706	-	-	-	-	706
of which Egypt	628	-	-	-	-	628
Developing Asia-Pacific	78,125	6,818	8,878	15,137	-	108,958
of which India	75,542	6,127	7,915	9,510	-	99,094

III. Additional Information - continued

5. Advances to Customers

a) By Sectors

		30.9.2022 (HK$'000)	31.3.2022 (HK$'000)
Loans for use in Hong Kong			
i)	Industrial, commercial & financial		
	wholesale and retail trade	296,000	245,240
	Transport and transport equipment		
	Financial Sectors	331,687	467,174
ii)	Individuals		
	For other* business purposes		
	For other* private purposes	-	8,096
iii)	All Others	300,000	300,000
Trade Financing		-	-
Loans for use outside Hong Kong		36,113,897	28,775,166
TOTAL **		37,041,584	29,795,676

* Other than for purchase of residential properties or credit card advances

** The total loans are covered by collateral or other security to the extent of and $4,849,095 (HK$'000) as at 30th September 2022 and $ 4,332,167 (HK$'000) as at 31st March 2022.

b) By Geographical Areas

	30.9.2022	31.3.2022
Hong Kong	927,687	1,020,510
India	28,280,807	22,932,421
China	5,315,352	4,675,483
Others	2,517,738	1,167,262
TOTAL	37,041,584	29,795,676

Geographical locations are based on the physical location of the borrower. Risk transfer is only made if the claim is guaranteed by a party in a country which is different from the counterparty.

III. Additional Information - continued

6. Overdue and Rescheduled Assets of Customers

There were no loans and advances to customers overdue for more than 3 months as at 30th September 2022 and 31st March 2022.

There were no other assets overdue for more than 3 months as at 30th September 2022 and 31st March 2022.

There were no rescheduled loans and advances to customers as at 30th September 2022 and 31st March 2022.

There were no repossessed assets as at 30th September 2022 and 31st March 2022.

7. Overdue and Rescheduled Assets to banks and other Financial Institutions

There were no advances to banks overdue for more than 3 months as at 30th September 2022 and 31st March 2022.

There were no rescheduled advances as at 30th September 2022 and 31st March 2022.

There were no repossessed assets as at as at 30th September 2022 and 31st March 2022.

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INTERIM DISCLOSURE STATEMENT
SECTION A - BRANCH INFORMATION (HONG KONG ONLY)

III. Additional Information - continued

8. Non-bank Mainland Activities

Type of counterparties	30.9.2022 (HK$'000) On-balance sheet exposure	Off-balance sheet exposure	Total	31.3.2022 (HK$'000) On-balance sheet exposure	Off-balance sheet exposure	Total
1 Central government, central government-owned entities and their subsidiaries and joint ventures (JVs)	-	-	-	-	-	-
2 Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-	-	-	-
3 PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	-	-	-	-	-	-
4 Other entities of central government not reported in item 1 above	-	-	-	-	-	-
5 Other entities of local governments not reported in item 2 above	-	-	-	-	-	-
6 PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	-	-	-	-	-	-
7 Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	5,329,150	-	5,329,150	4,681,064	-	4,681,064
Total	5,329,150	-	5,329,150	4,681,064	-	4,681,064
Total assets after provision	127,318,959			121,313,201		
On-balance sheet exposures as percentage of total assets	4.19%			3.86%		

III. Additional Information - continued

9. Foreign Currency Exposure

The position in a particular currency will be reported if the net position (in absolute terms) constitutes 10% or more of the total net position in all foreign currencies.

	30.9.2022 (HK$ Million)						
	US$	GBP	EUR	JPY	AUD	SGD	Total
Spot assets	121,319	3	2,454	1,337	485	85	125,683
Spot liabilities	(120,813)	(114)	(3,085)	(663)	(15)	(15)	(124,705)
Forward purchases	9,883	1,779	3,362	3,205	645	13	18,887
Forward sales	(10,386)	(1,668)	(2,731)	(3,878)	(1,115)	(83)	(19,861)
Net options	-	-	-	-	-	-	-
Net long (short) position	3	-	-	1	-	-	4

	31.3.2022 (HK$ Million)						
	US$	GBP	EUR	JPY	AUD	SGD	Total
Spot assets	114,887	2	2,550	1,583	458	89	119,569
Spot liabilities	(116,585)	(47)	(960)	(644)	(12)	(7)	(118,255)
Forward purchases	8,368	1,362	3,800	1,364	122	5	15,021
Forward sales	(6,674)	(1,317)	(5,389)	(2,302)	(568)	(87)	(16,337)
Net options	-	-	-	-	-	-	-
Net long (short) position	(4)	-	1	1	-	-	(2)

There is no net structural position constituting 10% or more of the total net structural position in all foreign currencies at 30th September 2022 and 31st March 2022.

STATE BANK OF INDIA Incorporated in India with limited liability HONG KONG BRANCH

III. Additional Information - continued

10. Liquidity

Average Liquidity Maintenance Ratio

	Six Months ended 30.9.2022	Six Months ended 30.9.2021
	94.80%	75.20%

Average Liquidity Maintenance Ratio is calculated as the arithmetic mean of the average of each month's average liquidity ratio for the first six months of the financial year computed in accordance with Banking Liquidity Rules.

Quarterly Average Liquidity Maintenance Ratio

	Quarter Ended 30.9.2022	Quarter Ended 30.6.2022	Quarter Ended 30.9.2021	Quarter Ended 30.6.2021
	95.75%	93.85%	80.95%	69.46%

Quarterly Average Core Funding Ratio

	Quarter Ended 30.9.2022	Quarter Ended 30.6.2022	Quarter Ended 30.9.2021	Quarter Ended 30.6.2021
	101.73%	105.81%	95.20%	92.43%

Quarterly Average Ratio is calculated as the arithmetic mean of the average of each month's average Ratio for the three months of the quarter computed in accordance with Banking Liquidity Rules.

LIQUIDITY RISK MANAGEMENT

The Liquidity risk management of State Bank of India (SBI), Hong Kong Branch is part of the SBI Group's risk management processes. The Liquidity risk management is a component of the SBI HK Branch's asset and liability management framework.

The liquidity risk management frame comprises of the following:

- Roles and responsibilities, organizational structure for oversight and communications of the SBI's liquidity risk management;
- Operational liquidity risk management;
- Periodic reporting of liquidity positions
- Managing funding sources and access to markets; and
- Liquidity contingency plan that establishes indicators to alert senior management to potential liquidity and funding problems.

The Hong Kong Asset and Liability Committee ("ALCO") comprising key members from local management and Treasury, conducts meeting on a regular basis to review the daily liquidity reports and deliberate important liquidity risk management matters.

The SBI Branch's liquidity management framework is supported by key liquidity measures, which are monitored on an on-going basis. These measures further serve as early warning indicators ("EWI") to alert senior management of potential liquidity and funding distress situations and trigger management actions in response to the event. The EWIs are designed taking into consideration the Branch's funding profile as well as the market conditions, and are calibrated to differentiate the various level of severity in liquidity shortfall. The EWIs are monitored regularly and discussed at the ALCO.

III. Additional Information - continued

Liquidity Monitoring

SBI HK Branch manages the operational liquidity by cash flows on an individual currency basis by cash flow mismatch analysis under defined business scenarios. Short-term liquidity stress tests are performed based on an institution-specific crisis scenario, a general market crisis scenario and a combined scenario. The results of the stress tests are used to adjust liquidity risk management strategies, policies and positions and to develop effective contingency funding plans. Liquidity monitoring is performed daily within the framework for projecting cash flows on a contractual basis. Simulations of liquidity exposures under stressed market scenarios are performed and the results are taken into account in the risk management processes.

SBI HK Branch follows the applicable guidance set forth by the HKMA in Supervisory Policy Manual LM-2 "Sound Systems and Controls for Liquidity risk Management".

Liquidity Reporting

In-house systems and procedures are in place to meet the various reporting requirements. The systems include data from different sources with relevant mapping rules to generate internal and local regulatory reports. Daily cash flow mismatch reports are produced by using contractual cash flows in the balance sheets and placing them into appropriate time basis. The measurement and reporting of liquidity would be on a cumulative cash flow mismatch basis for each currency. The daily reporting regulatory reports for Liquidity Maintenance Ratio are prepared in accordance with the relevant reporting requirements.

Funding Strategy

The liquidity and funding positions of SBI HK Branch is centrally managed at Hong Kong. The Branch maintains a diverse range of funding sources. Apart from obtaining the funding from interbank markets, the non-bank customer deposits also form a part of the Branch's overall funding. In order to lengthen the duration of the funding, the Branch obtains intragroup funding at arm's length and borrowing in the money market.

Contingency Planning

The Contingency Funding Plan ("CFP") is a critical component of the liquidity management framework and serves as an extension of the SBI HK Branch's operational or daily management policy. A liquidity crisis can arise due to Market-driven and/or Firm-driven events. A 3-stage approach (Green/Amber/Red) is adopted to differentiate the various states of the liquidity and funding condition.

11. Remuneration System

The senior management and the key personnel of the branch are Bank's officers from India, the remuneration package is on the lines decided by the Working Group of the Standing Committee by the Government of India, Ministry of Finance (Banking Division). The Standing Committee has been mandated to standardize the remuneration package to be paid to all India based officers of Indian public sector banks operating in various overseas centers including Hong Kong. The Committee meets at periodic intervals to review/revise the remuneration package taking into account cost of living, market situation, etc.

Remuneration of Senior Management and Key Personnel

Information on the remuneration for the Bank's senior management and key personnel is set out below

(i) Amount of remuneration for the six months ended 30th September 2022

	HK$	Beneficiaries
Fixed remuneration	1,272,190	4
Variable remuneration	-	-
Total	1,272,190	4

(ii) No senior management or key personnel has been awarded with deferred remuneration during the six months ended 30th September 2022
and

(iii) No senior management or key personnel has been awarded with new sign-on or severance payment during the six months ended 30th September 2022

STATE BANK OF INDIA, HONG KONG
INTERIM DISCLOSURE STATEMENT
SECTION B - BANK INFORMATION CONSOLIDATED BASIS

AVAILABLE IN THE BANK'S WEBSITE

1. Capital and Capital Adequacy

	31.03.2022 (HK$'000)		31.03.2021 (HK$'000)	
a) Capital Shareholders' Funds	315,918,583	*	292,528,195	**
b) Capital Adequacy Ratio (Basel III)	14.03%		13.97%	

2. Other Financial Information

	31.03.2022 (HK$'000)		31.03.2021 (HK$'000)	
Total Assets	5,542,110,544	*	5,143,968,733	**
Total Liabilities	5,226,191,961	*	4,851,440,538	**
Total Advances	2,888,530,964	*	2,654,563,680	**
Total Customer Deposits	4,209,770,722	*	3,932,451,453	**

	Year ended 31.3.2022 (HK$'000)		Year ended 31.3.2021 (HK$'000)	
Pre-tax Profit (Loss)	50,404,573	*	32,825,592	**

* **Indian Rupee converted to HK$ @ 9.673 (31st March 2022)**
** **Indian Rupee converted to HK$ @ 9.42 (31st March 2021)**

This Discosure Statement is also available at State Bank of India, Hong Kong Branch and the public registry of the Hong Kong Monetary Authority.

Declaration of Chief Executive Officer

We have prepared the financial disclosure statement of State Bank of India, Hong Kong Branch for the six months ended 30th September 2022. The information disclosed complies fully with the Banking (Disclosure) Rules made by the Hong Kong Monetary Authority under Section 60A of the Banking Ordinance (Cap.155). To the best of my knowledge, the Disclosure Statement is not false or misleading.

S. Venkatesan

Country Head & Chief Executive Officer
State Bank of India, Hong Kong Branch