

**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 2023**

	<u>30.9.2023</u> (HK\$'000)	<u>30.9.2022</u> (HK\$'000)
<b><u>INCOME</u></b>		
Interest income	3,470,753	1,441,838
Interest expenses	<u>(3,300,316)</u>	<u>(1,237,243)</u>
Net interest income	170,437	204,595
 <u>Other Operating Income</u>		
Gains less losses from dealing in foreign currencies	7,611	6,827
Gains less losses from trading in interest rate derivative	-	-
Gains less losses from non-trading Investments	(19,177)	(1,367)
Gross fees and commission income (Expenses- NIL)	30,252	199,127
Others	-	-
<b>Total Income</b>	<u>189,123</u>	<u>409,182</u>
 <b><u>EXPENDITURE</u></b>		
<u>Operating Expenses</u>		
Staff and rental expenses	31,989	35,932
Other expenses less fees and commission expenses	37,185	27,783
Net charge for other provisions	<u>(53,108)</u>	<u>213,942</u>
 Operating Profit before Impairment Losses	173,057	131,525
Impairment losses and provisions for impaired loans and receivables		
- Collective Provision	(40,688)	68,598
- Specific Provision	<u>-</u>	<u>-</u>
 <b>Profit before Taxation</b>	213,745	62,927
 <b>Taxation Expense</b>	<u>(35,482)</u>	<u>(17,268)</u>
 <b>Profit after Taxation</b>	<u>178,263</u>	<u>45,659</u>



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

**II. Balance Sheet**

**As at 30th September 2023**

	<u>30.09.2023</u> (HK\$'000)	<u>31.03.2023</u> (HK\$'000)
<b><u>ASSETS</u></b>		
1. Cash and balances with banks (except those included in amount due from overseas offices)	3,480,872	1,997,922
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)	5,053,138	1,773,929
3. Amount due from overseas offices	64,488,421	62,794,968
4. Trade Bills	3,951,298	2,633,356
5. Certificates of Deposit held	-	-
6. Securities held for trading purposes	-	-
7. Loans and Receivables		
Advances to customers	29,437,074	35,010,409
Advances to banks	7,129,249	6,619,313
Other Accounts (Accrued interest and others)	1,374,898	1,097,541
Provision for impaired loans and receivables - collective	(300,701)	(342,258)
Provision for impaired loans and receivables - specific	-	-
8. Investment Securities	7,821,477	7,884,500
9. Other Investments	-	-
10. Property, plant and equipment and investment properties	54,473	55,461
<b>Total Assets</b>	<b><u>122,490,199</u></b>	<b><u>119,525,141</u></b>
<b><u>LIABILITIES</u></b>		
1. Deposits and balances of banks (except those included in amount due from overseas offices)	80,100,075	79,015,998
2. Deposits from customers		
i) Demand deposits and current accounts	81,952	79,646
ii) Savings deposits	34,490	46,509
iii) Time, call and notice deposits	4,259,103	4,013,246
3. Amount due to overseas offices	33,468,895	33,763,364
4. Certificates of Deposit issued	-	-
5. Issued Debt Securities	-	-
6. Other liabilities (Accrued interest and others)	4,545,684	2,606,378
7. Other Provisions	-	-
<b>Total Liabilities</b>	<b><u>122,490,199</u></b>	<b><u>119,525,141</u></b>



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

**III. Additional Information**

**1. Impaired Loans and Advances**

There were no impaired loans and advances to banks as at 30th September 2023 and 31st March 2023 .

There were no impaired loans and advances to customers as at 30th September 2023 and 31st March 2023 .

**2. Derivatives**

	<u>30.9.2023</u> (HK\$'000)	<u>31.3.2023</u> (HK\$'000)
a) Notional Amount		
i) Exchange rate contracts	29,408,773	21,451,622
ii) Interest rate contracts	4,873,838	2,747,482
TOTAL	<u>34,282,611</u>	<u>24,199,104</u>
b) Fair Value of Derivative contracts (Gross)		
i) Exchange rate contracts	31,713	(241,585)
ii) Interest rate contracts	16	1,136
TOTAL	<u>31,729</u>	<u>(240,449)</u>

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**

	<u>30.9.2023</u> (HK\$'000)	<u>31.3.2023</u> (HK\$'000)
Notional Amount		
i) Direct credit substitutes	113,292	113,957
ii) Trade related contingent items	178,366	414,300
iii) Other commitments	6,018,837	2,123,223
TOTAL	<u>6,310,495</u>	<u>2,651,480</u>

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

**III. Additional Information - continued**

**4. International Claims**

30.9.2023  
(HK\$ Million)

	Non-Bank Private Sector					Total
	Banks	Official Sector	Non-Bank financial institutions	Non-financial private sector	Others	
Developed countries	1,198	1,828	-	1,089	-	4,115
of which USA	1,123	1,828	-	378	-	3,329
of which Netherland	-	-	-	711	-	711
Offshore centres	522	381	-	777	-	1,680
of which West Indies UK	-	-	-	570	-	570
of which Mauritius	402	-	-	-	-	402
Developing Europe	-	-	-	-	-	-
Developing Latin America and Caribbean	-	-	-	-	-	-
Developing Africa and Middle East	5,770	-	-	622	-	6,392
of which UAE	3,686	-	-	-	-	3,686
of which Qatar	1,173	-	-	-	-	1,173
of which Saudi Arabia	624	-	-	622	-	1,246
Developing Asia-Pacific	78,550	6,513	10,209	12,716	-	107,988
of which India	73,986	6,513	9,423	8,804	-	98,726
International Organisations	-	892	-	-	-	892

31.3.2023  
(HK\$ Million)

	Non-Bank Private Sector					Total
	Banks	Official Sector	Non-Bank financial institutions	Non-financial private sector	Others	
Developed countries	755	1,054	-	1,097	-	2,906
of which USA	701	1,054	-	379	-	2,134
of which Netherland	-	-	-	718	-	718
Offshore centres	162	380	394	209	-	1,145
of which Singapore	-	-	-	90	-	90
of which Mauritius	162	-	-	-	-	162
Developing Europe	-	-	-	-	-	-
Developing Latin America and Caribbean	-	-	-	-	-	-
Developing Africa and Middle East	4,306	1,170	-	32	-	5,508
of which UAE	2,847	1,170	-	-	-	4,017
of which Qatar	1,459	-	-	-	-	1,459
Developing Asia-Pacific	72,589	6,633	10,972	17,209	-	107,403
of which India	68,762	6,617	10,345	10,552	-	96,276
International Organisations	-	1,205	-	-	-	1,205



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

**III. Additional Information - continued**

**5. Advances to Customers**

	<u>30.9.2023</u> (HK\$'000)	<u>31.3.2023</u> (HK\$'000)
a) <u>By Sectors</u>		
<u>Loans for use in Hong Kong</u>		
i) Industrial, commercial & financial wholesale and retail trade	420,281	830,330
Transport and transport equipment		
Financial Sectors	344,938	420,425
ii) Individuals		
For other* business purposes		-
For other* private purposes		-
iii) All Others	300,000	300,000
<u>Trade Financing</u>		-
<u>Loans for use outside Hong Kong</u>	28,371,855	33,459,654
TOTAL **	<u>29,437,074</u>	<u>35,010,409</u>

\* 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 \$ 3,456,038 ('000) as at 30th September 2023 and \$ 3,976,708 ('000) as at 31st March 2023.

b) <u>By Geographical Areas</u>		
Hong Kong	1,065,219	1,550,755
India	22,534,182	26,578,698
China	3,808,453	4,855,484
Others	2,029,220	2,025,472
TOTAL	<u>29,437,074</u>	<u>35,010,409</u>

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.



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

**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 2023 and 31st March 2023 .

There were no other assets overdue for more than 3 months as at 30th September 2023 and 31st March 2023 .

There were no rescheduled loans and advances to customers as at 30th September 2023 and 31st March 2023 .

There were no repossessed assets as at 30th September 2023 and 31st March 2023 .

**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 2023 and 31st March 2023 .

There were no rescheduled advances as at 30th September 2023 and 31st March 2023 .

There were no repossessed assets as at as at 30th September 2023 and 31st March 2023 .



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

**III. Additional Information - continued**

**8. Non-bank Mainland Activities**

<u>Type of counterparties</u>	<u>30.9.2023</u> (HK\$'000)			<u>31.3.2023</u> (HK\$'000)		
	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>	<u>On-balance sheet exposure</u>	<u>Off-balance sheet exposure</u>	<u>Total</u>
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	3,823,277	-	3,823,277	4,875,817	-	4,875,817
<b>Total</b>	<b>3,823,277</b>	<b>-</b>	<b>3,823,277</b>	<b>4,875,817</b>	<b>-</b>	<b>4,875,817</b>
Total assets after provision	122,490,199			119,525,141		
On-balance sheet exposures as percentage of total assets	3.12%			4.08%		



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

**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.

	30.9.2023						Total
	US\$	GBP	EUR	JPY	AUD	SGD	
Spot assets	114,279	1	3,263	3,216	254	-	121,013
Spot liabilities	(111,321)	(308)	(4,348)	(3,236)	(55)	(33)	(119,301)
Forward purchases	7,959	775	7,621	10,425	513	38	27,331
Forward sales	(10,919)	(468)	(6,538)	(10,404)	(712)	(5)	(29,046)
Net options	-	-	-	-	-	-	-
Net long (short) position	(2)	-	(2)	1	-	-	(3)

	31.3.2023						Total
	US\$	GBP	EUR	JPY	AUD	SGD	
Spot assets	110,235	-	3,400	3,572	316	90	117,613
Spot liabilities	(108,821)	(201)	(3,291)	(3,990)	(15)	(13)	(116,331)
Forward purchases	8,091	2,520	484	5,780	1,028	18	17,921
Forward sales	(9,513)	(2,319)	(593)	(5,361)	(1,329)	(95)	(19,210)
Net options	-	-	-	-	-	-	-
Net long (short) position	(8)	-	-	1	-	-	(7)

There is no net structural position constituting 10% or more of the total net structural position in all foreign currencies at 30th September 2023 and 31st March 2023 .





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

**III. Additional Information - continued**

**10. Liquidity**

**Average Liquidity Maintenance Ratio**

Six Months ended 30.9.2023	Six Months ended 30.9.2022
133.42%	94.80%

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 30.9.2023	Quarter Ended 30.6.2023	Quarter Ended 30.9.2022	Quarter Ended 30.6.2022
122.25%	144.58%	95.75%	93.85%

**Quarterly Average Core Funding Ratio**

Quarter Ended 30.9.2023	Quarter Ended 30.6.2023	Quarter Ended 30.9.2022	Quarter Ended 30.6.2022
92.61%	96.46%	101.73%	105.81%

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.



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

**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.



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

**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 2023

	HK\$	Beneficiaries
Fixed remuneration	984,851	3
Variable remuneration	-	-
Total	<u>984,851</u>	<u>3</u>

(ii) No senior management or key personnel has been awarded with deferred remuneration during the six months ended 30th September 2023 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 2023



**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**

	<u>31.03.2023</u> (HK\$'000)		<u>31.03.2022</u> (HK\$'000)	
a) Capital				
Shareholders' Funds	<u>343,146,576</u>	*	<u>315,918,583</u>	**
b) Capital Adequacy Ratio (Basel III)	<u>14.84%</u>		<u>14.03%</u>	

**2. Other Financial Information**

	<u>31.03.2023</u> (HK\$'000)		<u>31.03.2022</u> (HK\$'000)	
Total Assets	5,692,560,533	*	5,542,110,544	**
Total Liabilities	5,349,413,957	*	5,226,191,961	**
Total Advances	3,124,189,414	*	2,888,530,964	**
Total Customer Deposits	<u>4,261,724,138</u>	*	<u>4,209,770,722</u>	**
	Year ended		Year ended	
	<u>31.3.2023</u>		<u>31.3.2022</u>	
	(HK\$'000)		(HK\$'000)	
Pre-tax Profit (Loss)	<u>71,212,528</u>	*	<u>50,404,573</u>	**

\* Indian Rupee converted to HK\$ @10.46 (31st March 2023)

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

This Disclosure 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 2023. 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.

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