

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
DEPARTMENT OF FINANCIAL SERVICES  
LOK SABHA

UNSTARRED QUESTION NO. 3540

TO BE ANSWERED ON THE 16<sup>TH</sup> MARCH 2018/ PHALGUNA 25, 1939 (SAKA)

Losses of SBI

3540. DR. C. GOPALAKRISHNAN:

Will the Minister of FINANCE be pleased to state:

- (a) whether State Bank of India (SBI) has reported a net loss of Rs. 2416 crore for the 3<sup>rd</sup> fiscal quarter, if so, the details thereof and the reasons for such a loss;
- (b) whether the SBI had reported a net profit of Rs. 1582 crore in the September quarter and if so, the details thereof; and
- (c) the steps being taken to recover the reported loss in the coming days?

ANSWER

The Minister of State in the Ministry of Finance  
(SHRISHIV PRATAPSHUKLA)

(a): As per information provided by State Bank of India (SBI), a net loss of Rs. 2,416 crore has been reported for the third quarter of Financial Year (FY) 2017-18. The net loss was attributable to lower trading income due to significant hardening of bond yields, increase in investment depreciation by Rs. 2,441 crore year-on-year, mainly due to mark-to-market losses, and higher corporate slippages on account of divergence in asset classification as identified in Reserve Bank of India's Risk Assessment Report with reference to financial position as on 31.3.2017, leading to higher loan loss provisions.

(b): SBI has apprised that a net profit of Rs. 1,582 crore was reported in the September ending quarter of FY 2017-18, with an operating profit (excluding exceptional and one-time items) of Rs. 14,563 crore.

(c): Loan loss provisions on account of divergence in asset classification and fresh slippage into NPA are likely to be lower since, as per SBI inputs, most of the stress has already been recognised and fresh slippages are expected to go down over the coming quarters. Further, under the recently announced PSB Reforms Agenda, the bank has committed to monetise non-core assets through sale, which will improve the bank's profitability.

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