All India State Bank of India Employees' Association

(Regn. 3528/87. Affiliated to All India Bank Employees' Association)

Central office – TKV Smarakam, PB No.157, Pulimoodu, Trivandrum-695001
Phone -0471 2460569
Email – aisbiea.aibea@gmail.com
Website -www.aisbiea.org

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To All Members/Units

SBI Q1FY27: GROWTH WITH STRENGTH, PROGRESS WITH PEOPLE

The Q1FY27 performance of SBI is highly encouraging and reflects the collective strength, commitment and hard work of employees across branches, administrative offices and specialised establishments. This strong performance also reflects the Bank's strategic direction and leadership. AISBIEA congratulates the Bank's leadership on this commendable achievement and places on record its sincere appreciation of every employee whose dedication and contribution have been instrumental in delivering these impressive results.

SBI has begun FY27 on a strong note, with Total Business crossing ₹110 trillion, Deposits crossing ₹60 trillion and Advances crossing ₹50 trillion. Net Profit stood at ₹21,121 crore, registering a growth of 10.23% year-on-year, while Operating Profit increased by 9.77% to ₹33,529 crore. Net Interest Income grew by an impressive 14.88%. These figures underline SBI's strong fundamentals and the continued trust and confidence of millions of customers.

Credit growth has been broad-based, with Whole Bank Advances growing by 18.63%, including Agriculture by 25.43%, SME by 22.33%, Retail Personal by 15.15% and Corporate Advances by 18.05%. This reflects SBI's vital role in supporting farmers, small businesses, households and industry and in contributing to the nation's economic development.

Asset quality has also improved significantly, with Gross NPA declining to 1.47% from 1.83% and Net NPA to 0.38% from 0.47%. The improvement in the slippage ratio and the low credit cost of 0.27%, together with a strong CRAR of 15.67%, further reinforce the Bank's financial strength. These achievements reflect sound business practices and the sustained efforts of employees engaged in credit, monitoring, recovery and customer service.

At the same time, the deposit–credit growth gap requires focused attention. While advances grew by 18.63%, deposits grew by 9.73%. CASA deposits increased by 9.30%, with the CASA ratio at 39.24%, while Retail Term Deposits grew by 14.39%. SBI must strengthen CASA and stable retail deposits through attractive products, better customer service, stronger relationships and appropriate institutional strategies, rather than placing disproportionate pressure on frontline employees.

The rapidly expanding business volume makes adequate manpower an essential requirement. With advances growing by nearly 19%, total business exceeding ₹110 trillion and a workforce of around 2.47 lakh, timely recruitment and filling of vacancies are imperative. Technology can enhance productivity and efficiency, but it cannot replace the human element of banking. Business expansion must not translate into excessive workload, stress or unreasonable pressure on employees.

The improvement in the Cost-to-Income Ratio from 47.71% to 46.71% is welcome. However, cost efficiency must not come at the cost of manpower, employee welfare or quality customer service. Employees are not a cost to be cut; they are the human capital behind SBI's growth, profitability and public trust. The benefits of technology and productivity must be reflected in adequate staffing, reduced workload, better work-life balance, improved working conditions and meaningful employee welfare.

The strong growth in Agriculture, SME, Retail and Corporate advances must continue with prudent credit appraisal, effective monitoring and sustained recovery efforts to preserve asset quality. As the country's largest public sector bank, SBI must also continue to strengthen financial inclusion, particularly for rural customers, farmers, small businesses, pensioners and weaker sections. Technology and Business Correspondents can complement banking services, but the branch network and employees remain indispensable to inclusive and accessible banking.

Personal Gold Loans have emerged as a major business segment, with the portfolio now almost at par with Vehicle Loans while maintaining one of the lowest NPA levels across loan segments. This clearly demonstrates its strong potential for further growth. The Bank should make Gold Loan processing simpler, faster and more customer-friendly by reducing documentation, improving network connectivity and offering more attractive rates and terms. Cash-in-Charges should also be relieved of unrelated duties so that they can focus on customer service and business development.

AISBIEA warmly welcomes the strong Q1FY27 performance and congratulates the leadership and the entire SBI workforce whose dedication and commitment have made these achievements possible. Going forward, quality growth, stronger deposits, sound asset quality, excellent customer service, responsible digitalisation, adequate manpower and employee welfare must remain the key priorities. A financially strong SBI must also be a strong and responsible employer. The real strength of SBI lies in its employees, whose commitment sustains the Bank's service, credibility and public trust. AISBIEA also remains concerned over the growing outsourcing of core and perennial banking activities, which must not undermine accountability, employment security or the long-term strength of public sector banking.

Let us build an SBI that is financially stronger, technologically smarter, adequately staffed, employee-friendly, customer-centric and socially responsible—an SBI where growth and profitability go hand in hand with employee dignity, welfare and the public service ethos of banking.

Yours comradely,

V Anilkumar
GENERAL SECRETARY
+91 82814 01691