

The Listing Department, BSE Limited, Phiroje Jeejeebhoy Towers, 25 th Floor, Dalal Street, Mumbai – 400001.	The Listing Department, National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No.: C / 1, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.
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CC/S&B/SK/2022/332

18.08.2022

Madam / Dear Sir,

Sub: Clarification on news article captioned – “State Bank sells distressed KSK Mahanadi loans to Aditya Birla ARC for Rs. 1,622 crore”

We refer to the email dated 16.08.2022 received from BSE and NSE on the subject matter.

In this regard, we submit the clarifications sought for, as given below:

Sl. No.	Clarification Sought	Our Reply
a)	Whether such negotiations / events were taking place? If so, you are advised to provide the said information along with the sequence of events in chronological order from the start of negotiations / event till date.	In terms of the Bank's policy on Transfer of Stressed Loan Exposure and in line with regulatory guidelines, SBI initiated open offer e-auction towards Sale of Fund Based Exposure of KSK Mahanadi Power Co. Ltd. on 100% Cash Basis on 20.04.2022 for a Reserve Price of Rs. 1,544.08 crores. In this regard, a paper publication was done in Business Standard and Navshakti along with web notice at SBI Website. While we received 15 Eols, only one bid was received from Aditya Birla ARC Ltd. for an amount of Rs. 1,544.08 crores on date of auction i.e. 30.05.2022. A Swiss challenge process was also initiated on 31.05.2022 based on offer received from Aditya Birla ARC Ltd. and a paper publication was done on 31.05.2022 in Business Standard and Navshakti along with web notice at SBI website. No competing bid received under Swiss challenge on 21.06.2022. Based on subsequent discussions, Aditya Birla ARC Ltd. improved the offer to Rs. 1,622 crores. Thereafter, approval from competent internal authorities was obtained and

Sl. No.	Clarification Sought	Our Reply
		Assignment concluded on 12.08.2022. We are of the opinion that the resolution strategy adopted is optimal at this juncture.
b)	Whether you/company are aware of any information that has not been announced to the Exchanges which could explain the movement in the trading, if any? Further, you are advised to provide the said information and the reasons for not disclosing the same to the Exchange earlier as required under regulation 30 of the SEBI (LODR) Regulation, 2015.	None. We confirm that it is a normal transaction carried out under Sale to ARC mode for resolution of stressed asset. As debt assignment is a normal business activity, it does not have any material impact on the Bank. We are of the opinion that no such disclosure is required to be made.
c)	The material impact of this article on the Company.	Transfer of Stressed Loan Exposure is in line with the Banks' policy and regulatory guidelines and is in nature of normal business activity for reduction of NPA and we do not see any material impact of this article on SBI.

Please take the above information on record.

Yours faithfully,

(Sham K.)

Asst. General Manager (Compliance & Company Secretary)

