



# STATE BANK OF INDIA GREEN DEPOSIT IMPACT ANALYSIS REPORT

Prepared by



A subsidiary of CARE Ratings Ltd.

CARE Analytics and Advisory  
Private Limited (CAAPL)

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## 1 Introduction

SBI introduced green deposits in January 2024. These deposits are governed under the framework prepared by SBI as POLICY ON ISSUANCE AND ALLOCATION OF GREEN DEPOSITS, which is aligned with the Reserve Bank of India (RBI) framework for accepting green deposits, issued on April 11, 2023. In line with regulatory requirements, the bank has also undertaken a second-party opinion on the policy to ensure it follows the established guidelines and principles.

## 2 Scope of the engagement

SBI engaged with CARE Analytics and Advisory Private Limited (CAAPL) to prepare a Green Deposit Impact Analysis Report. The impact analysis report covers the period from January 01, 2024, to Mar 31, 2025.

### Key Aspects of the RBI framework for accepting green deposits

The RBI introduced the framework for acceptance of green deposits, effective from June 1, 2023, encourages banks and NBFCs to mobilize funds for green activities by earmarking deposits for such purposes, requiring board-approved policies, and mandating third-party verification and impact assessments.

Key Features	Description
Purpose	To mobilize financial resources towards green activities and projects, including renewable energy, green transport, and green buildings.
Effective Date	June 1, 2023.
Applicability	Scheduled Commercial Banks, including SFBs, but excluding Regional Rural Banks (RRBs).
Green Deposits	Interest-bearing deposits are earmarked for allocation towards green finance.
Mandatory Policies	Banks and NBFCs must have board-approved policies for accepting and utilizing green deposits
Third-Party Verification	The use of green deposit funds must be verified by a third party.
Exclusions	Activities involving fossil fuels, nuclear power, tobacco, etc., are excluded.
Reporting and Disclosures	Banks must maintain transparent and comprehensive reporting on green deposit mobilization, fund utilization, and impact assessment.

## 3 SBI's Green Deposit Policy

The State Bank of India (SBI) has developed a Green Deposit Policy. The key highlights of the policy are as follows:

1. Purpose: To draw a road map for the Issuance and allocation of green deposits, in accordance with the RBI green deposit framework dated 11.04.2023.





2. Use of Proceeds: Proceeds of green deposits shall be used only to finance/ invest in eligible green activities/ projects. Eligible green activities/ projects include Renewable Energy, Waste Management, Clean Transportation, Energy Efficiency, Afforestation/ Reforestation as per RBI green deposit framework.

3. Temporary allocation of green deposit proceeds: Bank shall arrange temporary allocation (which would only be in liquid instruments up to a maximum original tenure of one year, as specified under the Financing Framework) of green deposit proceeds, pending their allocation to the eligible activities/projects. The bank shall provide details of the investment made in liquid instruments at yearly interval.

4. Project Evaluation: The green deposit proceeds shall be used only to finance/ or to invest in the projects that fall under the eligible green activities/ projects prescribed by RBI.

5. Sustainability Focus: Funds are allocated to projects in renewable energy, energy efficiency, and other eco-friendly sectors.

6. Transparency: Includes third-party verification, impact assessments, and regular reporting to ensure accountability.

#### 4 Green Deposit Impact Assessment

SBI has a board-approved green deposit policy aligned with the RBI's green deposit framework. The bank developed its green deposit scheme in accordance with the RBI framework. According to records provided by SBI, all green deposits have been allocated to the Green Car Loan Portfolio of the Thiruvananthapuram Circle as of 31.03.2025, with no unutilized proceeds. According to the RBI green deposits framework green car loan portfolio falls in the green eligible category, namely 'Clean Transportation'.

Table 1: SBI Green Deposit and Green Car Loan Portfolio of Thiruvananthapuram Circle as on 31.03.2025 (Month-wise)

Month	Principal Amount (Green Deposit). Rs Crore	Number of Car Loans	Amount of EV loans (Rs Crore).
Jan-24			
Feb-24	22.39	269	22.39
Mar-24			
Apr-24	6.81	81	6.81
May-24	6.98	79	6.98
Jun-24	5.83	68	5.83
Jul-24	2.98	33	2.98
Aug-24	6.96	71	6.96
Sep-24	14.60	168	14.60
Oct-24	10.78	120	10.78
Nov-24	15.85	143	15.85
Dec-24	9.68	149	9.68
Jan -25	8.15	57	8.15
Feb-25	8.03	71	8.03
March-25	9.27	57	9.27
<b>Total</b>	<b>128.31</b>	<b>1,366</b>	<b>128.31</b>

Source- State Bank of India





According to the International Council on Clean Transportation (ICCT), the life cycle GHG emissions of average gasoline cars correspond to 213 g CO<sub>2</sub> eq./ km for hatchback, 228 g CO<sub>2</sub> eq./km for sedan, and 272 g CO<sub>2</sub> eq./km. The life cycle GHG emissions of Battery Electric Vehicles (BEVs) in India are at 131-162 g CO<sub>2</sub> eq./km for the hatchback segment, 150-185 g CO<sub>2</sub> eq./km for the sedan segment, and 140-169 g CO<sub>2</sub> eq./km for the SUV segment.

Table 2: The life cycle GHG emissions of cars in India

Internal Combustion Engine Vehicle		Battery Electric Vehicles (BEVs)	
Car Segment	GHG emissions (g CO <sub>2</sub> eq./km)	Car Segment	GHG emissions (g CO <sub>2</sub> eq./km)
Gasoline cars	213	Hatchback	131-162
Hatchback	228	Sedan	150-185
Sedan	272	SUV segment	140-169
Hatchback GHG emission	228	Hatchback GHG emission	162 (high range)

Source- ICCT Report: A GLOBAL COMPARISON OF THE LIFE-CYCLE GREENHOUSE EMISSIONS OF COMBUSTION ENGINE AND ELECTRIC PASSENGER CAR

[A global comparison of the life-cycle greenhouse gas emissions of combustion engine and electric passenger cars](#)

EV car loan data provided by State Bank of India reveals that the average loan amount stands at Rs 10 lakh. Within these parameters, Hatchback models is the most suitable category for analysis, offering an optimal match for the loan limits.

According to the data mentioned in Table 2, BEVs produce 66 g CO<sub>2</sub> eq./km fewer emissions than ICE vehicles, indicating the difference between GHG emissions by ICE vehicles and BEVs (228g CO<sub>2</sub> eq./km - 162 g CO<sub>2</sub> eq./km) avoided. By raising and deploying green deposits, the State Bank of India financed 269 electric vehicles in FY24 and 1,097 in FY25, helping avoid 213.048 tonnes and 868.032 tonnes, emissions, respectively.

Table 3- Green Deposit Assessment: (Co2e) Emissions Avoided

Indicators	FY 24 (Units)	FY 25 (Units)
Emissions avoided per BEV car (g/km) *	66	66
A car running per year (km) in India *	12,000	12,000
Emission avoided (g/km) per car (Yearly)	7,92,000	7,92,000
Emission avoided (Tonnes) per car (yearly)	0.792	0.792
Total BEV cars (Units) Financed by SBI	269	1,097
Emission avoided for all units (tonnes) Annually	213.048	868.824

Source- ICCT Report: A GLOBAL COMPARISON OF THE LIFE-CYCLE GREENHOUSE EMISSIONS OF COMBUSTION ENGINE AND ELECTRIC PASSENGER CAR

\*[https://theicct.org/sites/default/files/publications/Global-LCA-passenger-cars-jul2021\\_0.pdf](https://theicct.org/sites/default/files/publications/Global-LCA-passenger-cars-jul2021_0.pdf)





To perform green deposit impact analysis, CAAPL sought detailed information materials to obtain all the evidence, information and explanations that it considered necessary to arrive at a meaningful conclusion. The following is the list of information checklists we referred to

General requirements:

- Details on Use of proceeds
- List of nominated projects and activities
- Management and Reporting practices

Specific requirements on deployment of funds:

- Evidence on the amount allocated
- Evidence of tracking and reporting of proceeds

Specific requirements for Deposit:

- Amount Deployed



## 5 Portfolio information

Particulars	Current Financial Year (2024-25) (Amount in ₹ Crore)	Previous Financial Year (2023-24) (Amount in ₹ Crore)	Cumulative* (Amount in ₹ Crore)
Total green deposits raised (A)	105.92	22.39	128.31
Use of green deposit funds**			
(1) Renewable Energy	-	-	-
(2) Energy Efficiency	-	-	-
(3) Clean Transportation (EV car finance)	105.92	22.39	128.31
(4) Climate Change Adaptation	-	-	-
(5) Sustainable Water and Waste Management	-	-	-
(6) Pollution Prevention and Control	-	-	-
(7) Green Buildings	-	-	-
(8) Sustainable Management of Living Natural Resources and Land Use	-	-	-
9) Terrestrial and Aquatic Biodiversity Conservation	-	-	-
Total Green Deposit funds allocated (B = Sum of 1 to 9)	105.92	22.39	128.31
Amount of Green Deposit funds not allocated (C = A - B)	NIL	NIL	NIL
Details of the temporary allocation of the green deposit proceeds pending them allocation to the eligible green activities/projects	NIL	NIL	NIL

\*This shall contain the cumulative amount since the RE started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for the period ending March 31, 2025, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2025. \*\*Under each category, REs may provide sub-categories based on the funds allocated to each sub-sector. For example, REs may provide sub-categories like solar energy, wind energy, etc. under "Renewable Energy". Format Source: <https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12487&Mode=0> Data provided by the State Bank of India

## 6 Unutilised Proceeds

There is no unused portion of the Green Deposit portfolio of the bank as on 31<sup>st</sup> March 2025.



## 7 Work undertaken

To reach our conclusion we:

- Referred RBI framework for accepting green deposits
- Reviewed the SBI's Green Deposit Policy
- Held conversations with management and key personnel involved in the Green Deposit deployment to assess the implementation of processes, systems, and controls outlined in the Green Deposit Policy and RBI framework for accepting green deposits.
- We have referred to a list of accounts provided by SBI to which green deposits proceeds have been allocated. The performance of the projects has been assessed in line with the criteria defined in the RBI framework for accepting green deposits.
- Checked an Interactive Tagging Dashboard\* where allocation and criteria has been defined and maintained a live record of all green deposit transitions as per the RBI Green Deposit framework with a maker-checker process.
- Confirmed the amount of deposit proceeds allocated to nominated projects and assets through examination of SBI's internal system for tracking the same. The data has been provided by SBI.

## 8 Conclusion

The following conclusion is based on the work performed and evidence obtained, and the scope of our engagement described above.

CareEdge Advisory believes that the green deposits raised during January 2024- March 2025 is aligned with the SBI green deposit policy and the Reserve Bank of India (RBI) framework for accepting green deposits, issued on April 11, 2023.

## 9 SBI's Management's responsibilities

The management of the SBI is responsible for ensuring the deployment of green deposits is align with the SBI Green deposit policy and Reserve Bank of India (RBI) framework for accepting green deposits, issued on April 11, 2023.

\*The Interactive Dashboard works on the four-eye concept process as below:

- Through an Interactive dashboard, the green advances data captured from the central bank system (CBS) based on 47 green activity codes through Business Intelligence Department (BID), and the data will be populated at an Interactive Dashboard and available for tagging/labelling.
- The ESG-CFU Maker tag the assets to corresponding green liabilities. This tagging will then be reviewed and validated by the ESG-CFU Checker.
- After the Maker-Checker reviews at both levels, the final green flag and associated amount details will be written back to the CBS.
- The operating functionaries at the branch level has no rights to amend or delete the Green Flag written back to CBS.





## 10 Specific limitation and exclusion

CAAPL green deposit impact analysis report is subject to the following limitations, as we have not been engaged to:

- SBI's financial statements and economic performance
- Verify the SBI's statements that describe the expression of opinion, belief, aspiration, expectation, aim or future intention or global socio-economic and environmental aspects provided by the SBI.

## 11 CAAPL's responsibilities

CAAPL's responsibility is limited to the extent of providing impact analysis for the Deposit allocation basis SBI green deposit policy and RBI green deposit framework in relation to the procedures performed and the evidence obtained. We conducted our engagement with a multidisciplinary team which included professionals with suitable skills and experience in understanding environment, social and governance practices.

This green deposit impact analysis report is made solely to the SBI (State Bank of India) by the team of our engagement, which includes an agreed arrangement for disclosure. Any party other than the SBI who obtains access to our impact assessment report or a copy thereof and chooses to rely on our impact assessment report will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the issuer for our work, for this Green Deposit Impact Assessment Report or for the conclusions we have reached.



## Contact

**Kedar Deshpande**  
ESG Director

Email: Kedar.Deshpande@careedge.in

**Vikram Thirani**  
Head Business Development

Email: Vikram.Thirani@careedge.in

**Yogesh Kulkarni**  
Associate Director-ESG

Email: Yogesh.Kulkarni@careedge.in

## About us

CareEdge is a knowledge-based analytical group offering services in Credit Ratings, Analytics, Consulting and Sustainability. Established in 1993, the parent company CARE Ratings Ltd (CareEdge Ratings) is India's second-largest rating agency, with a credible track record of rating companies across diverse sectors and holding leadership positions in high-growth sectors such as BFSI and Infra. The wholly-owned subsidiaries of CareEdge Ratings are (I) CARE Analytics & Advisory Private Ltd previously known as CARE Risk Solutions Pvt Ltd, and (II) CARE ESG Ratings Ltd, previously known as CARE Advisory Research and Training Ltd. CareEdge Ratings' other international subsidiary entities include CARE Ratings Africa (Private) Limited in Mauritius, CARE Ratings South Africa (Pvt) Ltd, and CARE Ratings Nepal Limited.

## CARE Analytics and Advisory Private Limited

(Wholly-owned subsidiary of CareEdge Ratings)

### Corporate Office:

303B, 3rd Floor, B wing Times Square' Building  
Andheri - Kurla Road, Gamdevi, Marol, Andheri East,  
Mumbai - 400059, Maharashtra, Phone: +91-22-6517-6900  
www.careedge.in

### Registered Office:

4th Floor, Godrej Coliseum, Somaiya Hospital Road,  
Off Eastern Express Highway, Sion (East), Mumbai - 400 022  
Phone: +91-22-6754 3456, Email: care@careedge.in  
www.careedge.in