

April 3, 2020

The BSE Limited
Corporate Relationship Department.
P J. Towers.
Dalal Street, Fort
Mumbai - 400 023

SCRIP CODE: **543066**

The National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex.
Bandra (E), Mumbai - 400 051

SYMBOL: **SBICARD**

Dear Sirs,

Re: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in continuation to our earlier intimation dated March 23, 2020 regarding the abovementioned subject, in view of the recent developments pertaining to spread of Coronavirus (COVID 19) and the consequent lockdown announced by Government Directions, we wish to give update on the business of our Company with regard to country wide shut down due to COVID-19. Same is enclosed.

The financial impact of the same is not ascertainable at this stage. Also, the duration of the abovementioned decision taken by the Company will depend upon further directions from Government authorities.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For SBI Cards and Payment Services Limited
(formerly known as SBI Cards and Payment Services Private Limited)

Payal Mittal Chhabra
Company Secretary & Compliance Officer

Enclosed: As above

Business Update on country wide shut down due to COVID-19

We would like to inform you that due to novel coronavirus (COVID-19) pandemic and its outbreak in India, Government announced a 21-day nationwide lock-down till April 14th, 2020. In compliance with the advisories issued by Central and State administrations, our offices across India have been closed. Our Business Continuity Plan (BCP) has kicked in and all our critical processes are running as usual, with our workforce supporting the critical business operations remotely from home. Our digital transformation through our investments in technology over the years has ensured that our core services and operations continue with minimal customer impact while safeguarding our employees, data, systems and assets.

Further, the Company would like to update the following on the business front:

- **Sales:** Our customer acquisitions process is currently discontinued as it is not feasible for us to run our sales activities due to country wide lockdown of offices and sourcing locations. Our sales teams are on a business ready mode and shall resume operations post lifting of lockdown, however it may take a while for new account sourcing to come back to earlier levels.
- **Spends:** On retail spends, there is a significant decline in discretionary spends. In categories like airlines, travel agents, hotels, railways, entertainment and dining, spends have dropped to almost nil. Departmental stores and groceries spends did witness temporary increase for a couple of days post lockdown, however these have also come down lately. Categories like online grocery and utility payments specifically Insurance premium payments which are seasonal in nature have so far remained stable. While the ticket size of retail spends have remained stable, overall number of transactions have reduced significantly. Similar reduction is seen in corporate spends as well. Digital offtake of cross-sell products (Flexipay, Balance transfer, Encash, Easy money draft) has sustained and in fact shown a marginal increase. High customer penetration into digital products like mobile app, website and chatbot (AskILA) are helping us sustain digital cross-sell volumes.
- **Operations:** SBI Card has a high penetration of digital payments and only a small portion of cardholder remittances are through non-digital modes like cheques or cash. Our remittance operations are being supported remotely. Customer repayments has lately seen a dip, however these are continuously being monitored especially considering the moratorium announced by RBI and the number of customers availing the same.
- **Risk:** Our collections and recovery efforts have been severely impacted due to complete shutdown of our tele-calling and field collection units post lockdown. However, collection tele-calling has since been restored partially by deploying work from home dialer setup and we are promoting digital payment channels to our customers. This disruption in collections and recoveries process is expected to impact the portfolio quality adversely. We have already executed certain portfolio management actions for high risk customers and may further expand the universe of customers who will be offered programs like restructuring and settlements.

SBI Cards and Payment Services Ltd.

(Formerly known as SBI Cards and Payment Services Pvt. Ltd.)

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12th Floor, Block 2, Building 3,
DLF Cyber City, Gurugram - 122002,
Haryana, India

Tel.: 0124-4589803
Email: customercare@sbicard.com
Website: sbicard.com

Registered Office:
Unit 401 & 402, 4th Floor, Aggarwal Millennium Tower,
E 1,2,3, Netaji Subhash Place, Wazirpur, New Delhi - 110034
CIN - U65999DL1998PLC093849

We have reviewed our corporate card portfolio, basis industry, rating movements, share price fluctuations, and identified certain corporates for appropriate actions like early exit, temporary limit blocking, limit reduction or full/partial security cover.

- **Customer Servicing:** Customer facing critical processes are being managed remotely and through self-servicing and digital channels. Statements to customers are being sent digitally. Some Important customer servicing calls (Lost / stolen / chargeback etc.) have been enabled on work from home dialer.
- **Information Security:** Our Information Security is geared up to ensure security of our data & systems and we are keeping a strict vigil. Our Security Operation Center (SOC) is fully operational. We have also introduced additional controls and enhanced monitoring to manage the increased remote accesses due to employees working from home.
- **Accounting:** Company is evaluating additional provisions to account for the impact of COVID-19 on our portfolio. This will be in line with risk perceptions, accounting standards and inputs from our statutory auditors.
- **Liquidity:** Treasury operations including borrowing activities are functioning normally. All our contractual payment obligations are being serviced on time and there is no liquidity risk due to availability of adequate sanctioned borrowing limits.
- **RBI Package:** RBI has announced COVID-19 Regulatory Package basis which our Board has considered and approved the Moratorium policy, and the same been implemented. It is applicable to eligible customers (who have no delinquency or overdue with us as of 1st March 2020). The details have been uploaded on our website.

During this time, we stand committed towards our employees, customers, government organization and the society.

Stay safe. Stay healthy.

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