

SBI to deploy blockchain in three functions in FY19

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State Bank of India (SBI) will go in for full-fledged deployment of blockchain in its reconciliation, remittances and trade finance operations in FY19, a senior executive at the bank said. The move is expected to lower the costs associated with the three functions by about 40-50%. Mrutyunjay Mahapatra, deputy managing director and chief information officer at SBI, told FE that while it will take some time to evolve a system-wide framework for deployment of blockchain in banking, initial adoption of the

technology will happen at the level of individual banks. “Quick wins will be internal deployments like we are doing in the case of India-Nepal payments, where the entire corridor is on blockchain. Similarly, we are also doing trade finance between India and Sri Lanka, and that we are trying to put on blockchain. Some transaction banking we are trying to put in blockchain. So (there have been) smaller experiments which can be scaled up in large organisations, especially large banks,” he said.

In February 2017, Bankchain, a consortium of banks led by SBI, was set up to work on developing blockchain-based solutions for banking in India. Another area of technology-based development for SBI is its banking and lifestyle app Yono, launched formally in November 2017. Mahapatra said that in addition to the 27 functions and services available on the app at present, another 40 will be added in a phased manner by May-June. “For example, this month itself, we may release another eight or 10, like debit and credit card management, opening of fixed deposits and the housing-loan journey,” he said.

The app will also see larger merchants coming on board. “We have about 65 merchants who are already on Yono. More and more complex merchants will be on-boarded, such as IRCTC (Indian Railway Catering and Tourism Corporation), and the complete railway ticketing experience will be available on Yono,” Mahapatra observed. At the time of its launch, Yono had partnerships with 60 e-commerce players—including [Amazon](#), Uber, Ola, Myntra, Jabong, Yatra, Airbnb, Swiggy and Byju’s—to offer exclusive deals to users of the app.

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