

**Basel III Pillar 3 Disclosures (31.03.2015)**

**Table DF- 1: Scope of Application**

**Name of the head of the banking group to which the framework applies:**

**The Nainital Bank Ltd.**

**(i) Qualitative Disclosures:**

**a. List of group entities considered for consolidation**

There is no such entity which may be considered under accounting scope of consolidation.

| <b>Name of the entity/<br/>(Country of Incorporation)</b> | <b>Whether the entity is included under accounting scope of consolidation<br/>(Yes/No)</b> | <b>Explain the method of consolidation</b> | <b>Whether the entity is included under regulatory scope of consolidation<br/>(Yes/No)</b> | <b>Explain the method of consolidation</b> | <b>Explain the reasons for difference in method of consolidation</b> | <b>Explain the reasons if consolidated under only one of the scopes of consolidation</b> |
|---|--|--|--|--|--|--|
| Nil   |  |  |  |  |  |  |

**b. List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation**

There are no entities in the group which are considered for consolidation under both accounting and regulatory scope of consolidation.

**(ii) Quantitative Disclosures:**

**c. List of group entities considered for consolidation**

There is no such entity which may be considered for consolidation.

**d. The aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation i.e. that are deducted**

Bank does not have any subsidiary as such there is no scope of capital deficiency in any of subsidiary.

**e. The aggregate amounts (e.g. current book value) of the Bank's total interests in insurance entities, which are risk-weighted**

The bank has no interest in insurance entity.

**f. Any restrictions or impediments on transfer of funds or regulatory capital within the banking group**

There is no restriction.

## **Table DF-2: Capital Adequacy**

### **(i) Qualitative Disclosures**

**a.** The Bank has put in place a robust Risk Management Architecture with due focus on Capital optimization and on profit maximization, i.e. to do maximum business out of the available capital which in turn maximize profit or return on equity. Bank is benchmarking on globally accepted sound risk management system, conforming to Basel III framework, enabling a more efficient equitable and prudent allocation of resources.

In Capital Planning process the bank reviews:

- Current capital requirement of the Bank
- The targeted and sustainable capital in terms of business strategy and risk appetite.

Capital needs are monitored periodically by the Risk Management Committee comprising Top Executives. Capital requirement is projected annually considering the expected growth in advances, investments.

Bank maintains capital to cushion the risk of loss in value of exposure, businesses etc. so as to protect the depositors and general creditors against losses. Bank has a well defined Internal Capital Adequacy Assessment Policy (ICAAP) to comprehensively evaluate and document all risks.

In line with the guidelines of the Reserve Bank of India, the Bank has adopted Standardised Approach for Credit Risk, Basic Indicator Approach for Operational Risk and Standardized Duration Approach for Market Risk for computing CRAR.

The capital requirement is affected by the economic environment, the regulatory requirement and by the risk arising from bank's activities. The purpose of capital planning of the bank is to ensure the adequacy of capital at the times of changing economic conditions, even at times of economic recession. In capital planning process the bank reviews:

- Current capital requirement of the bank.
- The targeted and sustainable capital in terms of business strategy and risk appetite.
- The future capital planning is done on a three-year outlook.

**(ii) Quantitative Disclosures**

| <b>SI No</b> | <b>Items</b>  | <b>Amount ( in Crores)</b> |
|--------------|---|----------------------------|
|              |   | <b>31.03.2015</b>          |
| (b)          | <b>Capital requirements for Credit Risk</b>                   |                            |
|              | • Portfolios subject to Standardized Approach                 | 226.44                     |
|              | • Securitization Exposures                                    | -----                      |
| (c)          | <b>Capital requirements for Market Risk</b>                   |                            |
|              | • Standardized Duration Approach                              | 47.38                      |
|              | • Interest Rate Risk  | 20.28                      |
|              | • Foreign Exchange Risk (including Gold)                      | -----                      |
|              | • Equity Risk   | 27.10                      |
| (d)          | <b>Capital requirements for Operational Risk</b>              |                            |
|              | • Basic Indicator Approach                                    | 29.07                      |
| (e)          | <b>Common Equity Tier 1, tier 1 and Total Capital ratios:</b> |                            |
|              | • Group CRAR  | ----                       |
|              | • CET 1 Ratio   | ----                       |
|              | • Tier 1 Ratio  | ----                       |
|              | • Tier 2 Ratio  | ----                       |
|              | • CRAR  |                            |
|              | • Stand alone CRAR  |                            |
|              | • CET 1 Ratio   | 14.41%                     |
|              | • Tier 1 Ratio  | 14.41%                     |
|              | • Tier 2 Ratio  | 0.45%                      |
|              | • CRAR  | 14.86%                     |

## **Table DF-3: Credit Risk**

### **(i) Qualitative Disclosures**

**a.** The policy of the bank for classifying bank's loan assets is as under:

NON PERFORMING ASSETS (NPA): A non performing asset (NPA) is a loan or an advance where;

- interest and/ or installment of principal remain overdue for a period of more than 90 days in respect of a term loan,
- the account remains 'out of order' in respect of an Overdraft/Cash Credit (OD/CC),
- the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- the installment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
- the installment of principal or interest thereon remains overdue for one crop season for long duration crops.

An OD/CC account is treated as 'out of order' if the outstanding balance remains continuously in excess of the sanctioned limit/drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit/drawing power, but there are no credits continuously for 90 days as on the date of Balance Sheet or credits are not enough to cover the interest debited during the same period, these accounts are treated as 'out of order' .

An amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank.

Non Performing Assets of the Bank are further classified in to three categories as under:

#### **Sub standard Assets**

A sub standard asset would be one, which has remained NPA for a period less than or equal to 12 months. All the recovery measures are relevant in substandard assets also. If the entire overdues are recovered by way of cash recovery, the account can be upgraded to standard category immediately. Similarly, if an account is classified as NPA due to technical reasons, the account shall be upgraded on clearance of technical reasons.

#### **Doubtful Assets**

An asset would be classified as doubtful if it remained in the sub standard category for 12 months. Substandard and Doubtful accounts which are subjected to restructuring/rescheduling, can be upgraded to standard category only after a period of one year after the date when first payment of interest or of principal, whichever is earlier, falls due, subject to satisfactory performance during the period.

## **Loss Assets**

A loss asset is one where loss has been identified by the bank or internal or external auditors or the RBI inspection. In Loss assets, realizable value of security available is not more than 10% of balance outstanding/ dues. Since security back up will not be available, the restructuring/ rehabilitation, if required, is considered with utmost care.

## **Strategies and Processes:**

The bank has a well defined Loan Policy & Investment Policy covering the important areas of credit risk management as under:

- Exposure ceilings to different sectors of the economy, different types of borrowers and their group and industry
- Fair Practice Code in dispensation of credit.
- Discretionary Lending Powers for different levels of authority of the bank.
- Processes involved in dispensation of credit – pre sanction inspection, rejection, appraisal, sanction, documentation, monitoring, and recovery.
- Fixation of pricing.

## **The Credit Risk philosophy, architecture and systems of the bank are as under:**

Credit Risk Philosophy:

- To Optimise the Credit and return envisaged in order that the Economic Value Addition to Shareholders is maximized and the interests of all the Stakeholders are protected alongside ensuring corporate growth and prosperity with safety of bank's resources.
- To regulate and streamline the financial resources of the bank in an orderly manner to enable the various channels to incline and achieve the common goal and objectives of the Bank.
- To comply with the national priorities in the matter of deployment of institutional finance to facilitate achieving planned growth in various productive sectors of the economy.
- To instill a sense of credit culture enterprise-wide and to assist the operating staff.
- To provide need-based and timely availability of credit to various borrower segments.
- To strengthen the credit management skills namely pre-sanction, post-sanction monitoring, supervision and follow-up measures so as to promote a healthy credit culture and maintain quality credit portfolio in the bank.
- To deal with credit proposals more effectively with quality assessment, speed and in full compliance with extant guidelines.
- To comply with various regulatory requirements, more particularly on Exposure norms, Priority Sector norms, Income Recognition and Asset Classification guidelines, Capital Adequacy, Credit Risk Management guidelines etc. of RBI/other Authorities.

### Architecture and Systems of the Bank:

- A Sub-Committee of Directors has been constituted by the Board to specifically oversee and co-ordinate Risk Management functions in the bank.
- Credit Policy Committee has been set up to formulate and implement various credit risk strategy including lending policies and to monitor Bank's Risk Management function on a regular basis.
- Formulating of policies on standards for credit proposals, financial covenants, rating standards and benchmarks.
- Credit Department deal with identification, measurement, monitoring and controlling credit risk within the prescribed limits.
- Enforcement and compliance of the risk parameters and prudential limits set by the Board/regulator etc.,
- Laying down risk assessment systems, developing MIS, and monitoring quality of loan portfolio, identification of problems, correction of deficiencies.
- Improving credit delivery system upon full compliance of laid down norms and guidelines.

### The Scope and Nature of Risk Reporting and/or Measurement System:

The Bank has in place a robust credit risk rating system for its credit exposures. An effective way to mitigate credit risks is to identify potential risks in a particular asset, maintain a healthy asset quality and at the same time impart flexibility in pricing assets to meet the required risk-return parameters as per the bank's overall strategy and credit policy.

### (ii) Quantitative Disclosures

#### (b) Total Gross Credit Risk Exposure

|                                     | Amount(in Crores) |
|-------------------------------------|-------------------|
| <b>Particulars</b>                  | <b>31.03.2015</b> |
| Fund Based Exposures                | 2596.91           |
| Non-fund Based Exposures            | 111.27            |
| <b>Total Gross Credit Exposures</b> | <b>2708.18</b>    |

#### (c) Geographic Distribution of Exposures:

| Exposures                  | Amount ( in Crores)  |                          |
|----------------------------|----------------------|--------------------------|
|                            | Fund Based Exposures | Non-fund Based Exposures |
| <b>Domestic operations</b> | 2596.91              | 111.27                   |
| <b>Overseas operations</b> | ---                  | ---                      |
| <b>Total</b>               | <b>2596.91</b>       | <b>111.27</b>            |

**(d) Industry Type Distribution of Exposures****( in Crores)**

| <b>Sr.</b> | <b>Industry</b>                                 | <b>Fund Based</b> | <b>Non Fund Based</b> | <b>Total</b> |
|------------|---|-------------------|-----------------------|--------------|
| A          | Minning and Quarrying                           | 5.81              | ----                  | 5.81         |
| A.1        | Coal  | 0.00              | ----                  | 0.00         |
| A.2        | Other   | 5.81              | ----                  | 5.81         |
| B          | Food Processing                                 | 190.61            | 0.55                  | 191.16       |
| B.1        | Sugar   | 0.00              | ----                  | 0.00         |
| B.2        | Edible Oils and Vanaspati                       | 30.76             | ----                  | 30.76        |
| B.3        | Tea   | 0.00              | ----                  | 0.00         |
| B.4        | Coffee  | 0.00              | 0.00                  | 0.00         |
| B.5        | Others  | 159.85            | 0.55                  | 160.40       |
| C          | Beverages                                       | 0.04              | ----                  | 0.04         |
| C.1        | Tobacco and Tobacco Products                    | 0.04              | ----                  | 0.04         |
| C.2        | Others  | 0.00              | ----                  | 0.00         |
| D          | Textiles  | 23.55             | ----                  | 23.55        |
| D.1        | Cotton Textile                                  | 0.52              | ----                  | 0.52         |
| D.2        | Jute Textile                                    | 0.07              | ----                  | 0.07         |
| D.3        | Handicraft/Khadi                                | 11.36             | ----                  | 11.36        |
| D.4        | Silk  | 0.00              | ----                  | 0.00         |
| D.5        | Woollen   | 0.00              | ----                  | 0.00         |
| D.6        | Others  | 11.60             | ----                  | 11.60        |
|            | Out of D to Spinning Mills                      | 0.00              | ----                  | 0.00         |
| E          | Leather and Leather Products                    | 2.24              | ----                  | 2.24         |
| F          | Wood and Wood Products                          | 0.00              | ----                  | 0.00         |
| G          | Paper and Paper Products                        | 10.34             | ----                  | 10.34        |
| H          | Petroleum                                       | 1.03              | ----                  | 1.03         |
| I          | Chemicals and Chemical Products                 | 17.51             | ----                  | 17.51        |
| I.1        | Fertilizers                                     | 0.60              | ----                  | 0.60         |
| I.2        | Drugs and Pharmaceuticals                       | 1.33              | ----                  | 1.33         |
| I.3        | Petro-Chemicals                                 | 0.00              | ----                  | 0.00         |
| I.4        | Other   | 15.58             | ----                  | 15.58        |
| J          | Rubber Plastic and their Products               | 24.56             | ----                  | 24.56        |
| K          | Glass and Glassware                             | 2.18              | ----                  | 2.18         |
| L          | Cement and Cement Products                      | 1.43              | ----                  | 1.43         |
| M          | Basic Metal and Metal Products                  | 18.74             | ----                  | 18.74        |
| M.1        | Iron and Steel                                  | 15.78             | ----                  | 15.78        |
| M.2        | Other Metal and Metal Products                  | 2.96              | ----                  | 2.96         |
| N          | All Engineering                                 | 47.70             | 10.20                 | 57.90        |
| N.1        | Electronics                                     | 3.05              | ----                  | 3.05         |
| N.2        | Other Engg                                      | 44.65             | 10.20                 | 54.85        |
| O          | Vehicle, vehicle parts and Transport Equipments | 4.34              | ----                  | 4.34         |

|         |   |                |               |                |
|---------|---|----------------|---------------|----------------|
| P       | Gems and Jewellery                                  | 0.00           | ----          | 0.00           |
| Q       | Construction  | 115.32         | ----          | 115.32         |
| R       | Infrastructure                                      | 149.08         | ----          | 149.08         |
| R.1     | Transport   | 79.33          | ----          | 79.33          |
| R.1.1   | Railways  | 0.00           | ----          | 0.00           |
| R.1.2   | Roadways  | 79.33          | ----          | 79.33          |
| R.1.3   | Aviation  | 0.00           | ----          | 0.00           |
| R.1.4   | Waterways   | 0.00           | ----          | 0.00           |
| R.1.5   | Others Transport                                    | 0.00           | ----          | 0.00           |
| R.2     | Energy  | 0.00           | ----          | 0.00           |
| R.2.1   | Electricity gen-trans-distribution                  | 0.00           | ----          | 0.00           |
| R.2.1.1 | Of which state electricity board                    | 0.00           | ----          | 0.00           |
| R.2.2   | Oil   | 0.00           | ----          | 0.00           |
| R.2.3   | Gas/LNG(Storage and Pipeline)                       | 0.00           | ----          | 0.00           |
| R.2.4   | Other   | 0.00           | ----          | 0.00           |
| R.3     | Telecommunication                                   | 0.00           | ----          | 0.00           |
| R.4     | Others  | 69.75          | ----          | 69.75          |
| R.4.1   | Water Sanitation                                    | 0.00           | ----          | 0.00           |
| R.4.2   | Social and Commercial Infrastructure                | 69.75          | ----          | 69.75          |
| R.4.3   | Others  | 0.00           | ----          | 0.00           |
| S       | Other Industries                                    | 48.13          | 9.05          | 57.18          |
|         | <b>ALL INDUSTRIES(Total)</b>                        | <b>662.61</b>  | <b>19.80</b>  | <b>682.41</b>  |
|         | <b>Residuary other advances(not included above)</b> | 1934.30        | 91.47         | 2025.77        |
|         | <b>Total Loan &amp; Advances</b>                    | <b>2596.91</b> | <b>111.27</b> | <b>2708.18</b> |

Credit Exposure of industries where outstanding exposure is more than 5% of the Total Gross Credit Exposure of the Bank is as follows:

| SI No | Industry        | Total Exposure (in Crores) | % of Total Gross Credit Exposure |
|-------|-----------------|----------------------------|----------------------------------|
| 1.    | FOOD PROCESSING | 191.16                     | 7.06%                            |
| 2.    | INFRASTRUCTURE  | 149.08                     | 5.50%                            |



**(e) Residual maturity breakdown of assets**

| <b>Maturity Pattern</b>    | <b>Advances</b> | <b>Investments</b> | <b>(in Crores)</b>  |             |
|----------------------------|-----------------|--------------------|---------------------|-------------|
|                            |                 |                    | <b>Total Assets</b> | <b>%age</b> |
| <b>1 day</b>               | 23.31           | 148.00             | 478.80              | 7.77        |
| <b>2 – 7 days</b>          | 94.58           | 0.00               | 228.25              | 3.71        |
| <b>8 -14 days</b>          | 96.36           | 14.72              | 185.11              | 3.01        |
| <b>15- 28 days</b>         | 191.23          | 14.80              | 234.02              | 3.80        |
| <b>29days-3months</b>      | 196.11          | 403.86             | 526.69              | 8.55        |
| <b>&gt;3months-6months</b> | 51.22           | 29.20              | 578.59              | 9.39        |
| <b>&gt;6months-1yr</b>     | 104.66          | 24.50              | 1119.91             | 18.18       |
| <b>&gt;1yr-3yrs</b>        | 1390.04         | 107.84             | 1659.87             | 26.94       |
| <b>&gt;3yrs-5yrs</b>       | 167.11          | 135.36             | 346.82              | 5.63        |
| <b>&gt;5yrs</b>            | 282.29          | 500.95             | 802.22              | 13.02       |
| <b>TOTAL</b>               | <b>2596.91</b>  | <b>1379.23</b>     | <b>6160.27</b>      | <b>100</b>  |

**(f) Amount of Non Performing Assets (Gross)**

| <b>SI NO</b> | <b>Asset Category</b>  | <b>Amount<br/>(in Crores)</b> |
|--------------|--|-------------------------------|
| <b>a)</b>    | <b>NPAs (Gross):</b>   |                               |
|              | Substandard  | 22.69                         |
|              | Doubtful 1   | 8.64                          |
|              | Doubtful 2   | 23.78                         |
|              | Doubtful 3   | 4.14                          |
|              | Loss   | 18.16                         |
| <b>b)</b>    | <b>Net NPAs</b>  | 0.00                          |
|              | Total  | 0.00                          |
| <b>c)</b>    | <b>NPA Ratios</b>  |                               |
|              | Gross NPAs to gross advances (%)                               | 2.98%                         |
|              | Net NPAs to net advances (%)                                   | 0.00                          |
| <b>d)</b>    | <b>Movement of NPA(Gross)</b>                                  |                               |
|              | Opening balance  | 61.10                         |
|              | Additions  | 26.30                         |
|              | Reductions   | 9.99                          |
|              | Closing balance  | 77.41                         |
| <b>e)</b>    | <b>Movement of provisions for NPAs</b>                         |                               |
|              | Opening balance  | 67.07                         |
|              | Provisions made during the period                              | 10.67                         |
|              | Write offs   | 0.33                          |
|              | Write back of excess provisions                                | 0.00                          |
|              | Closing balance  | 77.41                         |
| <b>f)</b>    | <b>Amount of Non-Performing Investments</b>                    | 0.00                          |
| <b>g)</b>    | <b>Amount of provisions held for non-performing investment</b> | 0.00                          |
| <b>h)</b>    | <b>Movement of provisions for depreciation on investments</b>  |                               |
|              | Opening balance  | 3.72                          |
|              | Provisions made during the period                              | 0.00                          |
|              | Write-off  | ----                          |
|              | Write back of excess provisions                                | 2.64                          |
|              | Closing balance  | 1.08                          |

**Table DF-4: Credit Risk Disclosures for portfolios subject to Standardised Approach**

**(i) Qualitative Disclosures**

**(a) For portfolios under the Standardised Approach:**

The Bank has recognized following credit rating agencies for the purpose of rating of an exposure & assigning risk weights for computation of capital charge under standardized approach.

**Domestic credit rating agencies:**

- Credit Analysis & Research Limited (CARE),
- CRISIL Limited,
- ICRA Limited,
- India Ratings (Formerly FITCH India)
- Brickwork

**Types of exposure for which each agency is used:**

All the above agencies are recognized for rating all types of exposures.

**A description of the process used to transfer public issue ratings onto comparable assets in the banking books:**

- Bank has used short term ratings for assets with maturity up to one year and long term ratings for assets maturing after one year as accorded by the approved external credit rating agencies.
- Bank has not used one rating of a CRA (Credit Rating Agency) for one exposure and another CRA's rating for another exposure on the same counterparty unless only one rating is available for given exposure.
- Amount above Rs. 10 Crores are subject to external rating.
- Bank has used only solicited rating from the recognized CRAs.

**(ii) Quantitative Disclosures**

**(b) Amount of the Bank's Exposures- Gross Advances (Rated & Unrated) in Major Risk Buckets -under Standardized Approach, after factoring Risk Mitigants (i.e. Collaterals):**

The amount of exposure including non-fund based after risk mitigation subject to Standardized Approach (rated and unrated) in the following three major risk buckets are as under:

| SL NO | Particulars                 | Amount(in Crores) |                 |
|-------|-----------------------------|-------------------|-----------------|
|       |                             | Fund Based        | Non -Fund Based |
|       |                             | 31.03.2015        | 31.03.2015      |
| 1     | Below 100 % risk weight     | 4225.09           | ----            |
| 2     | 100 % risk weight           | 718.39            | 77.33           |
| 3     | More than 100 % risk weight | 219.16            | ----            |
| 4     | Total CRM Deducted          | 205.66            | 33.94           |
| 5     | Total Exposure              | <b>5368.30</b>    | <b>111.27</b>   |

## **Table Df-5: Credit Risk Mitigation: Disclosures for Standardized Approaches**

### **(i) Qualitative Disclosures**

**Policies and processes for collateral valuation and management:** The Bank is having a Board approved collateral management policy which lays down the process, objectives, accepted types of collaterals and the framework including suitable management information system for effective collateral management ,The Collaterals and guarantees properly taken and managed that would serve to:

- mitigate the risk by providing secondary source of repayment in the event of borrower's default on a credit facility due to inadequacy in expected cash flow or not;
- gain control on the source of repayment in the event of default;
- provide early warning of a borrower's deteriorating repayment ability; and
- Optimize risk weighted assets and to address Residual Risks adequately.

Bank uses a number of techniques to mitigate the credit risks to which it is exposed. Collateral Management process and practices of the Bank cover the entire activities comprising security and protection of collateral value, validity of collaterals and guarantees, and valuation /periodical inspection.

**Valuation:** Assets obtained to secure the loans granted by the Bank are subjected to valuation by valuers empanelled by the Bank. Monetary limits of the accounts, asset classification of the borrower, which is to be subjected to valuation, periodicity of valuation, are prescribed in the Banks' policy guidelines. Bank reviews the guidelines on valuation periodically.

### **Description of the main types of collateral taken by the Bank:**

The collateral commonly used by the Bank as risk mitigants comprises of

1. Moveable assets like stocks, moveable machinery etc.
2. Immoveable assets like land, building, plant & machinery.
3. Bank's own deposits
4. NSCs, IVPs, KVPs, Govt. Bonds, RBI Bonds, LIC policies, etc.
5. Cash Margin against Non-fund based facilities
6. Gold Jewellery
7. Shares as per approved list

The bank has well-laid out policy on valuation of securities charged to the bank. The Bank has applied securities mentioned at sr.no.3 to 6 above as Credit Risk Mitigants.

### **Main types of Guarantor counterparty and their creditworthiness:**

The main types of guarantors against the credit risk of the bank are :

- Individuals (Personal guarantees)
- Corporate
- Central Government
- State Government

- CGFTSI

CRM collaterals are mostly available in Loans Against Bank's Own Deposit and Loans against Government Securities, LIC Policies/ Shares.

CRM securities are also taken in non fund based facilities like Guarantees and Letters of Credit.

**Credit Risk Mitigation recognized by the Bank for the purpose of reducing capital requirement under New Capital Adequacy Framework (Basel II Norms)**

The Bank has recognized Cash, Bank's own Deposits, Gold & Gold Jewellery as Credit Risk Mitigations for the purpose of reducing capital requirement under the New Capital Adequacy Framework (Basel II Norms).

**(ii) Quantitative Disclosures**

| SL NO | PARTICULARS  | AMOUNT<br>(in Crores) |
|-------|--|-----------------------|
|       |  | 31.03.2015            |
| (b)   | The total exposure (after, where applicable, on- or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts for each separately disclosed credit risk portfolio. | 239.96                |
| (c)   | The total exposure (after, where applicable, on- or off balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI) for each separately disclosed portfolio       | ----                  |

**Table DF-6: Securitization Exposures: Disclosures for Standardized Approach**

**(i) Qualitative disclosures**

The policy guidelines do not undertake any securitization exposures.

**(ii) Quantitative Disclosures**

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| <b>SI No</b> | <b>Particulars</b> | <b>31.03.2015</b> |
|--------------|--------------------|-------------------|
| <b>NIL</b>   |                    |                   |

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| <b>SI No</b> | <b>Particulars</b> | <b>31.03.2015</b> |
|--------------|--------------------|-------------------|
| <b>NIL</b>   |                    |                   |

The bank does not have any case of its assets securitised as on 31.03.2015.

## **Table DF-7: Market Risk in Trading Book**

### **(i) Qualitative Disclosures**

The Bank defines market risk as potential loss that the Bank may incur due to adverse developments in market prices.

Bank has put in place a proper system for calculating capital charge on Market Risk on Trading Portfolio as per RBI Guidelines, viz., Standardised Duration Approach. The capital charge thus calculated is converted into Risk Weighted Assets. The aggregated Risk Weighted Assets for credit risk, market risk and operational risk are taken in to consideration for arriving at the CRAR.

The structure and organization of the relevant risk management function: The Market Risk Management Structure in the Bank is as under:

- Board of Directors
- Management Committee of the Board (MCB)
- ALM Committee
- Risk Management Committee

### **(ii) Quantitative Disclosures**

| <b>SI No</b> | <b>Particulars</b>           | <b>Amount of capital requirement ( in Crores)</b> |
|--------------|------------------------------|---|
|              |                              | <b>31.03.2015</b>                                 |
| <b>(a)</b>   | <b>Interest Rate Risk</b>    | 20.28   |
| <b>(b)</b>   | <b>Equity Position Risk</b>  | 27.10   |
| <b>(c)</b>   | <b>Foreign Exchange Risk</b> | ----  |



## **Table DF-8: Operational Risk**

### **(i) Qualitative Disclosures**

#### **Strategies and processes**

The Operational Risk Management process of the Bank is driven by a strong organizational culture and sound operating procedures, involving corporate values, attitudes, competencies, internal control culture, effective internal reporting and contingency planning. Policies are put in place for effective management of Operational Risk in the Bank.

#### **The structure and organization of the relevant risk management function**

The Operational Risk Management Structure in the Bank is as under:

- Board of Directors
- Management Committee of the Board (MCB)
- Asset Management Liability Committee
- Risk Management Committee

#### **The scope and nature of risk reporting and/or measurement systems**

The Risk reporting consists of operational risk loss incidents/events occurred in branches/offices relating to people, process, technology and external events.

#### **Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants**

Bank has put in place policies for management of Operational Risk management. The policy framework contains various aspects of Operational risk management such as identification, management, monitoring & mitigation of Operational risk areas.

In order to address risks involved in Outsourcing of activities, bank has put in place policies for management of Outsourcing Risk.

#### **Operational Risk capital assessment**

The Bank has adopted Basic Indicator Approach for calculating capital charge for Operational Risk.

### **(ii) Quantitative Disclosures**

Capital charge for operational Risk as on 31.03.2015 was Rs.29.07 Cr. And Risk Weighted Assets for Operational Risk as on 31.03.2015 was Rs.323.00 Cr.

## **Table DF-9: Interest Rate Risk in the Banking Book (IRRBB)**

### **(i) Qualitative Disclosures**

#### **Interest Rate Risk in Banking Book (IRRBB)**

Interest rate risk is the risk where changes in market interest rates affect a bank's financial position. As the bank holds rate sensitive on and off balance-sheets items of different maturity/repricing, currencies, markets and benchmark rates, and any adverse movement in these parameters exposes bank to interest rate risk. Interest Rate Risk in Banking Book (IRRBB) reveals the impact on bank's earnings (short-term impact) and net worth (long-term impact) due to adverse movement of interest rates and is measured on a monthly basis.

#### **Organizational Framework**

Asset Liability Management Committee (ALCO) of the Bank is responsible for developing, implementing and managing interest rate risk management strategy as per the risk tolerance established by the Board of Directors/Risk Management Committee.

#### **Strategies and Processes**

The Bank strives to match the price of its assets and liabilities coupled with proper maturity matching in-order to reduce the gap in different time buckets which are maturing or getting repriced. For measurement and management of interest rate risk, Bank adopts both the Traditional Gap Analysis (TGA) and the Duration Gap Analysis (DGA) to its domestic position of assets, liabilities and off-balance sheet items, which are rate sensitive.

The interest rate risk arises on account of re-pricing, yield curve change, basis risk. The Bank aims at capturing these risks arising from the maturity and re-pricing mismatches both from earnings perspective and economic value perspective using techniques viz.,

1. Gap Analysis: The basic tool for measuring interest rate risk is preparation of Interest Rate Sensitivity Statement (IRS) by grouping various items of Rate Sensitive Assets (RSA) and Rate Sensitive Liabilities (RSL) and off balance-sheet items into different time buckets according to the residual maturity or next re-pricing, whichever is earlier and arriving at the net gap (i.e., RSA - RSL).

A positive or asset sensitive Gap means that an increase in market interest rates result in an increase in NII. Conversely, a negative or liability sensitive Gap implies that the Bank's NII could decline as a result of increase in market interest rates.

2. Earnings at Risk (EaR): Earnings at Risk (EaR) indicates whether the bank is in a position to benefit by the rise in interest rate by having positive gap or benefits by fall in interest rate by having a negative gap. The impact of repricing risk on the earnings due to the parallel shift in interest rate is assessed for different rate shocks. Impact on the earnings is also estimated for yield curve change and basis risk.

3. Market Value of Equity (MVE): A long-term impact of changing interest rates is on bank's Market Value of Equity (MVE) or Net-worth as the economic value of bank's assets, liabilities and off balance sheet positions get affected due to variation in market interest rates. The estimated drop in the Market Value of Equity (MVE) as a result of prescribed rate shock is estimated by the Duration Gap Analysis (DGA) arising from changes in the value of interest rate sensitive positions across the whole Bank.

**(ii) Quantitative Disclosures**

**Earning at Risk (Traditional Gap Analysis) (Short Term):**

The immediate impact of the changes in the interest rates on net interest income of the bank is analyzed under this approach. The Earning at Risk is analyzed under different scenarios for domestic operations as under:

- Yield curve risk: A parallel shift of 1% is assumed for assets as well as liabilities.
- Bucket wise different yield changes are assumed for the assets and the same are applied to the liabilities as well.

|                 |             |         |
|-----------------|-------------|---------|
|                 | (in Crores) |         |
|                 | -100 bps    | 100 bps |
| Earning at Risk | -15.95      | 15.95   |

**Economic Value of Equity (Duration Gap Analysis) (Long term)**

- Economic Value of Equity is done by calculating modified duration of assets and the liabilities to arrive at the modified duration of equity. Impact on the Economic Value of Equity is analyzed for a 200 bps rate shock at monthly intervals for domestic operations through Duration Gap Method.

|                                    |          |          |
|------------------------------------|----------|----------|
|                                    | -200 bps | 200 bps  |
| Change in Economic Value of Equity | 2.62%    | (-)2.62% |

**Table DF-10: General Disclosures for exposures related to Counterparty Credit Risk**

**(i) Qualitative Disclosures**

Counterparty Credit Risk is defined as the risk that the counterparty to a transaction could default before the final settlement of the transaction's cash flows and is the primary source of risk for derivatives and securities financing transactions. Unlike a Bank's exposure to credit risk through a loan, where the exposure to credit risk is unilateral and only the lending bank faces the risk of loss, the counterparty credit risk is bilateral in nature i.e. the market value of the transaction can be positive or negative to either counterparty to the transaction and varying over time with the movement of underlying market factors.

An economic loss would occur if the transactions or portfolio of transactions with the counterparty has a positive economic value at the time of default.

Banks ensures all the due diligence are to be adhered to viz. KYC norms, satisfactory dealing, credit worthiness of the party before extending any derivative products to the party.

**(ii) Quantitative Disclosures**

| SI No    | Particulars                         | Amount( in Crores) |                  |
|----------|-------------------------------------|--------------------|------------------|
|          |                                     | Notional Amount    | Current Exposure |
|          |                                     | 31.03.2015         | 31.03.2015       |
| 1        | Foreign Exchange Contracts          | ----               | ----             |
| 2        | Cross Currency Interest rate Swaps  | ----               | ----             |
| 3        | Single Currency Interest Rate Swaps | ----               | ----             |
| <b>4</b> | <b>Total</b>                        | ----               | ----             |

**Table DF-11: Composition of Capital**

| Sr. No  | Items   | Eligible Amount | (in million)                               |             |
|---|---|-----------------|--|-------------|
|   |   |                 | Amounts Subject to Pre-Basel III Treatment | Ref No      |
| <b>Common Equity Tier 1 capital: instruments and reserves</b>               |   |                 |  |             |
| 1   | Directly issued qualifying common share capital plus related stock surplus (share premium)  | 1310.00         | ----                                       | a=<br>a1+a2 |
| 2   | Retained earnings   | ----            | ----                                       |             |
| 3   | Accumulated other comprehensive income (and other reserves)   | 3540.22         | ----                                       |             |
| 4   | Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)   | ----            | ----                                       |             |
| <b>Public sector capital injections grandfathered until January 1, 2018</b> |   |                 |  |             |
| 5   | Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)  | ----            | ----                                       |             |
| 6   | <b>Common Equity Tier 1 capital before regulatory adjustments</b>   | 4850.22         | ----                                       |             |
| <b>Common Equity Tier 1 capital: regulatory adjustments</b>                 |   |                 |  |             |
| 7   | Prudential valuation adjustments  | ----            | ----                                       |             |
| 8   | Goodwill (net of related tax liability)   | ----            | ----                                       |             |
| 9   | Intangibles other than mortgage-servicing rights (net of related tax liability)   | ----            | ----                                       |             |
| 10  | Deferred tax assets   | ----            | ----                                       |             |
| 11  | Cash-flow hedge reserve   | ----            | ----                                       |             |
| 12  | Shortfall of provisions to expected losses  | ----            | ----                                       |             |
| 13  | Securitisation gain on sale   | ----            | ----                                       |             |
| 14  | Gains and losses due to changes in own credit risk on fair valued liabilities   | ----            | ----                                       |             |
| 15  | Defined-benefit pension fund net assets   | ----            | ----                                       |             |
| 16  | Investments in own shares (if not already netted off paid-in capital on reported balance sheet)   | ----            | ----                                       |             |
| 17  | Reciprocal cross-holdings in common equity  | ----            | ----                                       |             |
| 18  | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short | ----            | ----                                       |             |

|     |   |      |      |  |
|-----|---|------|------|--|
|     | positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)   |      |      |  |
| 19  | Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold) | ---- | ---- |  |
| 20  | Mortgage servicing rights (amount above 10% threshold)  | ---- | ---- |  |
| 21  | Deferred tax assets arising from temporary differences <sup>5</sup> (amount above 10% threshold, net of related tax liability)  | ---- | ---- |  |
| 22  | Amount exceeding the 15% threshold  | ---- | ---- |  |
| 23  | of which: significant investments in the common stock of financial entities   | ---- | ---- |  |
| 24  | of which: mortgage servicing rights   | ---- | ---- |  |
| 25  | of which: deferred tax assets arising from temporary differences  | ---- | ---- |  |
| 26  | National specific regulatory adjustments (26a+26b+26c+26d)  | ---- | ---- |  |
| 26a | of which: Investments in the equity capital of the unconsolidated insurance subsidiaries  | ---- | ---- |  |
| 26b | of which: Investments in the equity capital of unconsolidated non-financial subsidiaries  | ---- | ---- |  |
| 26c | of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank   | ---- | ---- |  |
| 26d | of which: Unamortised pension funds expenditures  | ---- | ---- |  |
|     | Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Baseel III Treatment  | ---- | ---- |  |
|     | of which: [INSERT TYPE OF ADJUSTMENT]<br>For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian context)  | ---- | ---- |  |
|     | of which: [INSERT TYPE OF ADJUSTMENT]   | ---- | ---- |  |
|     | of which: [INSERT TYPE OF ADJUSTMENT]   | ---- | ---- |  |
| 27  | Regulatory adjustments applied to Common Equity Tier 1 due to   | ---- | ---- |  |

|  |  |         |      |  |
|--|--|---------|------|--|
|  | insufficient Additional Tier 1 and Tier 2 to cover deductions  |         |      |  |
| 28   | Total regulatory adjustments to Common equity Tier 1   | ----    | ---- |  |
| 29   | <b>Common Equity Tier 1 capital (CET1)</b>   | 4850.22 | ---- |  |
| <b>Additional Tier 1 capital: instruments</b>                    |  |         |      |  |
| 30   | Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)  | ----    | ---- |  |
| 31   | of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)  | ----    | ---- |  |
| 32   | of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)   | ----    | ---- |  |
| 33   | Directly issued capital instruments subject to phase out from Additional Tier 1  | ----    | ---- |  |
| 34   | Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)  | ----    | ---- |  |
| 35   | of which: instruments issued by subsidiaries subject to phase out  | ----    | ---- |  |
| 36   | <b>Additional Tier 1 capital before regulatory adjustments</b>   | ----    | ---- |  |
| <b>Additional Tier 1 capital : before regulatory adjustments</b> |  |         |      |  |
| 37   | Investments in own Additional Tier 1 instruments   | ----    | ---- |  |
| 38   | Reciprocal cross-holdings in Additional Tier 1 instruments   | ----    | ---- |  |
| 39   | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold) | ----    | ---- |  |
| 40   | Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)   | ----    | ---- |  |
| 41   | National specific regulatory adjustments (41a+41b)   | ----    | ---- |  |
| 41a  | Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries  | ----    | ---- |  |

|   |  |         |      |  |
|---|--|---------|------|--|
| 41b   | Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank   | ----    | ---- |  |
|   | Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment   | ----    | ---- |  |
|   | of which: [INSERT TYPE OF ADJUSTMENT e.g. DTAs]  | ----    | ---- |  |
|   | of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 1 at 50%]  | ----    | ---- |  |
|   | of which: [INSERT TYPE OF ADJUSTMENT]  | ----    | ---- |  |
| 42  | Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions   | ----    | ---- |  |
| 43  | <b>Total regulatory adjustments to Additional Tier 1 capital</b>   | ----    | ---- |  |
| 44  | <b>Additional Tier 1 capital (AT1)</b>   | ----    | ---- |  |
| 44a   | <b>Additional Tier 1 capital reckoned for capital adequacy</b>   | ----    | ---- |  |
| 45  | <b>Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)</b>   | 4850.22 | ---- |  |
| <b>Tier 2 capital: instruments and provisions</b> |  |         |      |  |
| 46  | Directly issued qualifying Tier 2 instruments plus related stock surplus   | ----    | ---- |  |
| 47  | Directly issued capital instruments subject to phase out from Tier 2   | ----    | ---- |  |
| 48  | Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)   | ----    | ---- |  |
| 49  | of which: instruments issued by subsidiaries subject to phase out  | ----    | ---- |  |
| 50  | Provisions   | 151.72  | ---- |  |
| 51  | <b>Tier 2 capital before regulatory adjustments</b>  | 151.72  | ---- |  |
| <b>Tier 2 capital: regulatory adjustments</b>     |  |         |      |  |
| 52  | Investments in own Tier 2 instruments  | ----    | ---- |  |
| 53  | Reciprocal cross-holdings in Tier 2 instruments  | ----    | ---- |  |
| 54  | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued | ----    | ---- |  |



|                       |   |          |      |  |
|-----------------------|---|----------|------|--|
|                       | common share capital of the entity (amount above the 10% threshold)   |          |      |  |
| 55                    | Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) | ----     | ---- |  |
| 56                    | National specific regulatory adjustments (56a+56b)  | ----     | ---- |  |
| 56a                   | of which: Investments in the Tier 2 capital of unconsolidated subsidiaries  | ----     | ---- |  |
| 56b                   | of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank   | ----     | ---- |  |
|                       | Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment   | ----     | ---- |  |
|                       | of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]   | ----     | ---- |  |
|                       | of which: [INSERT TYPE OF ADJUSTMENT]   | ----     | ---- |  |
| 57                    | <b>Total regulatory adjustments to Tier 2 capital</b>   | ----     | ---- |  |
| 58                    | <b>Tier 2 capital (T2)</b>  | 151.72   | ---- |  |
| 58a                   | <b>Tier 2 capital reckoned for capital adequacy</b>   | 151.72   | ---- |  |
| 58b                   | <b>Excess Additional Tier 1 capital reckoned as Tier 2 capital</b>  | ----     | ---- |  |
| 58c                   | <b>Total Tier 2 capital admissible for capital adequacy (58a + 58b)</b>   | 151.72   | ---- |  |
| 59                    | <b>Total capital (TC = T1 + T2) (45 + 58c)</b>  | 5001.94  | ---- |  |
|                       | Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment   | ----     | ---- |  |
|                       | of which: [INSERT TYPE OF ADJUSTMENT]   | ----     | ---- |  |
|                       | of which  | ----     | ---- |  |
| 60                    | <b>Total risk weighted assets (60a + 60b + 60c)</b>   | 33653.88 | ---- |  |
| 60a                   | of which: total credit risk weighted assets   | 25159.56 | ---- |  |
| 60b                   | of which: total market risk weighted assets   | 5264.37  | ---- |  |
| 60c                   | of which: total operational risk weighted assets  | 3229.95  | ---- |  |
| <b>Capital ratios</b> |   |          |      |  |
| 61                    | Common Equity Tier 1 (as a percentage of risk weighted assets)  | 14.71%   | ---- |  |

|   |   |        |      |  |
|---|---|--------|------|--|
| 62  | Tier 1 (as a percentage of risk weighted assets)  | 14.71% | ---- |  |
| 63  | Total capital (as a percentage of risk weighted assets)   | 14.86% | ---- |  |
| 64  | Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets) | ----   | ---- |  |
| 65  | of which: capital conservation buffer requirement   | ----   | ---- |  |
| 66  | of which: bank specific countercyclical buffer requirement  | ----   | ---- |  |
| 67  | of which: G-SIB buffer requirement  | ----   | ---- |  |
| 68  | Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)  | ----   | ---- |  |
| <b>National minima (if different from Basel III)</b>            |   |        |      |  |
| 69  | National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)   | 5.50%  | ---- |  |
| 70  | National Tier 1 minimum ratio (if different from Basel III minimum)   | 7%     | ---- |  |
| 71  | National total capital minimum ratio (if different from Basel III minimum)  | 9%     | ---- |  |
|   | Amounts below the thresholds for deduction (before risk weighting)  | ----   | ---- |  |
| 72  | Non-significant investments in the capital of other financial entities  | ----   | ---- |  |
| 73  | Significant investments in the common stock of financial entities   | ----   | ---- |  |
| 74  | Mortgage servicing rights (net of related tax liability)  | ----   | ---- |  |
| 75  | Deferred tax assets arising from temporary differences (net of related tax liability)   | ----   | ---- |  |
| <b>Applicable caps on the inclusion of provisions in Tier 2</b> |   |        |      |  |
| 76  | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)  | ----   | ---- |  |
| 77  | Cap on inclusion of provisions in Tier 2 under standardised approach  | ----   | ---- |  |
| 78  | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)  | ----   | ---- |  |
| 79  | Cap for inclusion of provisions in Tier 2 under internal ratings-based approach   | ----   | ---- |  |

**Table DF-12: Composition of Capital- Reconciliation Requirements**

| <b>Step1</b> |   | <b>(in million)</b>                             |  |
|--------------|---|---|--|
|              |   | <b>Balance sheet as in financial statements</b> | <b>Balance sheet under regulatory scope of consolidation</b> |
|              |   | <b>As on reporting date</b>                     | <b>As on reporting date</b>                                  |
| <b>A</b>     | Capital & Liabilities                                 |   |  |
| I            | Paid-up Capital                                       | 675.00  | 675.00   |
|              | Reserves & Surplus                                    | 4271.84   | 4271.84  |
|              | Minority Interest                                     | ----  | ----   |
|              | Total Capital   | 4946.84   | 4946.84  |
| ii           | Deposits  | 53440.43  | 53440.43   |
|              | of which: Deposits from banks                         | 5193.22   | 5193.22  |
|              | of which: Customer deposits                           | 48247.21  | 48247.21   |
|              | of which: Other deposits (pl. specify)                | ----  | ----   |
| iii          | Borrowings  | 1.61  | 1.61   |
|              | of which: From RBI                                    | ----  | ----   |
|              | of which: From banks                                  | 0.14  | 0.14   |
|              | of which: From other institutions & agencies          | 1.47  | 1.47   |
|              | of which: Others (pl. specify)                        | ----  | ----   |
|              | of which: Capital instruments                         | ----  | ----   |
| iv           | Other liabilities & provisions                        | 1390.38   | 1390.38  |
|              | Total   | 59779.26  | 59779.26   |
|              |   |   |  |
| <b>B</b>     | Assets  |   |  |
| i            | Cash and balances with Reserve Bank of India          | 2742.68   | 2742.68  |
|              | Balance with banks and money at call and short notice | 16849.22  | 16849.22   |
| ii           | Investments:  | 13781.48  | 13781.48   |
|              | of which: Government securities                       | 10669.87  | 10669.87   |
|              | of which: Other approved securities                   | ----  | ----   |
|              | of which: Shares                                      | ----  | ----   |
|              | of which: Debentures & Bonds                          | 1631.61   | 1631.61  |
|              | of which: Subsidiaries / Joint Ventures / Associates  | ----  | ----   |
|              | of which: Others (Commercial Papers, Mutual           | 1480.00   | 1480.00  |

|     |   |          |          |
|-----|---|----------|----------|
|     | Funds etc.)                               |          |          |
| iii | Loans and advances                        | 25568.45 | 25568.45 |
|     | of which: Loans and advances to banks     | 192.33   | 192.33   |
|     | of which: Loans and advances to customers | 25376.12 | 25376.12 |
| iv  | Fixed assets                              | 183.64   | 183.64   |
| v   | Other assets                              | 653.79   | 653.79   |
|     | of which: Goodwill and intangible assets  | ----     | ----     |
|     | of which: Deferred tax assets             | ----     | ----     |
| Vi  | Goodwill on consolidation                 | ----     | ----     |
| Vii | Debit balance in Profit & Loss account    | ----     | ----     |
|     | <b>Total Assets</b>                       | 59779.26 | 59779.26 |

## Step 2

(in million)

|   |                                     | Balance sheet as in financial statements | Balance sheet under regulatory scope of consolidation | Ref No. |
|---|-------------------------------------|--|---|---------|
|   |                                     | As on reporting date                     | As on reporting date                                  |         |
| A | Capital & Liabilities               |  |   |         |
| I | Paid-up Capital                     | 675.00                                   | 675.00  |         |
|   | of which: Amount eligible for CET1  | 675.00                                   | 675.00  | a1      |
|   | of which: Amount eligible for AT1   | ----                                     | ----  |         |
|   | Reserves & Surplus                  | 4271.84                                  | 4271.84   |         |
|   | Of which:                           |  |   |         |
|   | -Statutory Reserve                  | 1240.71                                  | 1240.71   |         |
|   | -Share Premium                      | 635.00                                   | 635.00  | a2      |
|   | -Capital Reserve                    | 47.12                                    | 47.12   |         |
|   | . Revaluation of Fixed Assets       | 46.57                                    | 46.57   |         |
|   | . Other Reserve                     | 0.55                                     | 0.55  |         |
|   | -Revenue and Other Reserve          | 2349.01                                  | 2349.01   |         |
|   | . Investment Reserve Account        | ----                                     | ----  |         |
|   | . Reserve or Bad and Doubtful Debts | 31.25                                    | 31.25   |         |
|   | . Other reserve-deferred tax        | 0.68                                     | 0.68  |         |
|   | . Other Reserve                     | 2128.95                                  | 2128.95   |         |
|   | . Investment Reserve A/c            | 18.12                                    | 18.12   |         |
|   | . Special reserve                   | 170.01                                   | 170.01  |         |

|     |   |          |          |  |
|-----|---|----------|----------|--|
|     | u/s36   |          |          |  |
|     | -Current period profit not recognized                   | ----     | ----     |  |
|     | Total Capital   | 4946.84  | 4946.84  |  |
| ii  | Deposits  | 53440.43 | 53440.43 |  |
|     | of which: Deposits from banks                           | 5193.22  | 5193.22  |  |
|     | of which: Customer deposits                             | 48247.21 | 48247.21 |  |
|     | of which: Other deposits (pl. specify)                  | ----     | ----     |  |
| iii | Borrowings  | 1.61     | 1.61     |  |
|     | Of which: From RBI                                      | ----     | ----     |  |
|     | Of which: From banks                                    | 0.14     | 0.14     |  |
|     | of which: From other institutions & agencies            | 1.47     | 1.47     |  |
|     | of which: Others (pl. specify)                          | ----     | ----     |  |
|     | of which: Capital instruments                           | ----     | ----     |  |
| iv  | Other liabilities & provisions                          | 1390.38  | 1390.38  |  |
|     | Of which: DTLs related to goodwill                      | ----     | ----     |  |
|     | Of which: DTLs related to intangible assets             | ----     | ----     |  |
|     | Total   | 59779.26 | 59779.26 |  |
|     |   |          |          |  |
| B   | Assets  |          |          |  |
| I   | Cash and balances with Reserve Bank of India            | 2742.68  | 2742.68  |  |
|     | Balance with banks and money at call and short notice   | 16849.22 | 16849.22 |  |
| Ii  | Investments:  | 13781.48 | 13781.48 |  |
|     | of which: Government securities                         | 10669.87 | 10669.87 |  |
|     | of which: Other approved securities                     | ----     | ----     |  |
|     | Of which: Shares  | ----     | ----     |  |
|     | of which: Debentures & Bonds                            | 1631.61  | 1631.61  |  |
|     | of which: Subsidiaries / Joint Ventures / Associates    | ----     | ----     |  |
|     | of which: Others (Commercial Papers, Mutual Funds etc.) | 1480.00  | 1480.00  |  |
| Iii | Loans and advances                                      | 25568.45 | 25568.45 |  |
|     | of which: Loans and advances to banks                   | 192.33   | 192.33   |  |
|     | Of which: Loans and                                     | 25376.12 | 25376.12 |  |

|     |  |          |          |  |
|-----|--|----------|----------|--|
|     | advances to customers                    |          |          |  |
| Iv  | Fixed assets                             | 183.64   | 183.64   |  |
|     | Of which: Goodwill and intangible assets | ----     | ----     |  |
| V   | Other assets                             | 653.79   | 653.79   |  |
|     | Of which: Goodwill and intangible assets | ----     | ----     |  |
|     | Of which: Deferred tax assets            | ----     | ----     |  |
| Vi  | Goodwill on consolidation                | ----     | ----     |  |
| Vii | Debit balance in Profit & Loss account   | ----     | ----     |  |
|     | <b>Total Assets</b>                      | 59779.26 | 59779.26 |  |

**Step 3**

(in million)

**Extract of Basel III common disclosure template (with added column) – Table DF-11 (Part I / Part II whichever, applicable)**

**Common Equity Tier 1 capital: instruments and reserves**

|   |   | <b>Component of regulatory capital reported by bank</b> | <b>Source based on reference numbers / letters of the balance sheet under the regulatory scope of consolidation from step 2</b> |
|---|---|---|---|
| 1 | Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus | 1310.00   | a1 and a2   |
| 2 | Retained earnings   | ----  | ----  |
| 3 | Accumulated other comprehensive income ( and other reserves)  | 3540.22   | ----  |
| 4 | Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)                     | ----  | ----  |
| 5 | Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)                      | ----  | ----  |
| 6 | Common Equity Tier 1 capital before regulatory adjustments  | 4850.22   | ----  |
| 7 | Prudential valuation adjustments  | ----  | ----  |
| 8 | Goodwill (net of related tax liability)   | ----  | ----  |

**Table DF-13: Main Features of Regulatory Capital Instruments**

Bank has not issued any kind of regulatory instruments.