BASEL III – PILLAR 3 DISCLOSURES AS ON 31ST DECEMBER 2015

TABLE DF -2: CAPITAL ADEQUACY

1	**Qualitative disclosures**		
1.1	*A summary discussion of the Bank's approach to assess the adequacy of its capital to support current and future activities.* 1. Policy on Internal Capital Adequacy Assessment Process has been put in place and the assessment of capital commensurate to the risk profile is reviewed on a quarterly basis. 2. Capital requirement for current business levels and estimated future business levels are assessed on a periodic basis. 3. CRAR has been worked out based on Basel III guidelines and it is well above the Regulatory Minimum level of 9%.		
2	**Quantitative disclosures** (Solo Bank)	Amount in ₹ Mn.	
2.1	**Capital requirements for credit risk**	40553.76	
	Portfolios subject to Standardized approach	40553.76	
	Securitization exposures	0.00	
2.2	**Capital requirements for market risk** (Standardized duration approach)	4013.88	
	Interest rate risk	2463.30	
	Foreign exchange risk (including gold)	354.37	
	Equity risk	1196.21	
2.3	**Capital requirements for operational risk**	4771.57	
	Basic Indicator Approach	4771.57	
	Total Capital Requirements	49339.22	
2.4	**Common Equity Tier I ,Tier I & Total Capital Ratios**	Standalone	Consolidated
	Common Equity Tier I capital Ratio	13.74%	13.95%
	Tier I capital ratio	13.74%	13.95%
	Total capital ratio	14.32%	14.56%

RISK EXPOSURE AND ASSESSMENT

1	**Credit risk**
	Strategies and processes: The Bank is exposed to credit risk in its lending operations. The Bank's strategies to manage the credit risks are given below: a) Defined segment exposures delineated into retail, micro, small and medium enterprises, agriculture and Corporate b) Industry wise segment caps on aggregate lending by Bank across Branches c) Individual borrower wise caps on lending as well as borrower group wise lending caps linked as a percentage to the Bank's capital funds as at the end of the previous year

	d) Credit rating of borrowers and allowing credit exposures only to defined thresholds of risk levels; the approach also includes diversification of credit rating wise borrowers but within acceptable risk parameters e) At present, the Bank's entire business is within India and hence there is no geographic cap on lending in India; there is also no cap on lending within a State in India. However, in respect of cross border trade which would involve exposures to banks and financial institutions located outside India, there is a geographic cap on exposures apart from cap on individual bank/institution f) A well-defined approach to sourcing and preliminary due diligence while sourcing fresh credit limits g) A clear and well defined delegation of authority within the Bank in regard to decision making, linking risk and exposure to level of approval. h) Regular review of all credit structures and caps with due approval of Bank's Board and continuous strengthening of credit processes. i) Credit hub system put in place to enhance quality of credit appraisal and underwriting process. j) Bank has put in place appropriate mechanism for ongoing identification, development and assessment of expertise of officials in the area of credit appraisal, underwriting and credit management functions. k) Dedicated Credit Monitoring Department and credit monitoring cells at various levels to monitor/follow up of performance of loans and advances. l) Internal credit rating of all credit proposals of ₹5.00 Crores and above is to be confirmed by Integrated Risk Management Department.
	Structure and organization of risk management function: Bank has put in place Board approved comprehensive Credit Risk Management Policy. The policy aims to provide basic framework for implementation of sound credit risk management system in the Bank. It spells out various areas of credit risk, goals to be achieved, current practices and future strategies. Bank has also operationalized required organizational structure and framework as prescribed in the policy for efficient credit risk management through proactive identification, precise measurement, fruitful monitoring and effective control of credit risk arising from its credit and investment operations. Risk Management Committee of the Board oversees Bank wide risk management and senior executive level Credit Risk Management Committee monitors adherence to policy prescriptions and regulatory directions. CRMC of the Bank meets at least once in a month to take stock of Bank's credit risk profile based on the reports placed by Credit Risk Management Division of Integrated Risk Management Department. Bank has put in place a detailed Loan Policy spelling out various aspects of credit dispensation and credit administration. Loan policy stipulates measures for avoiding concentration risk by setting prudential limits and caps on sector wise, rating grade wise, and customer-constitution wise exposure. CRM policy gives specific instructions on valuation of collaterals. Bank has also put in place guidelines on fixing and monitoring of exposure ceilings to contain risk in credit and investment exposures.

	Scope and nature of risk reporting / measurement systems: Bank has developed comprehensive risk rating system that serves as a single point indicator of diverse risk factors of counterparty and for taking credit decisions in a consistent manner. Risk rating system is drawn up in a structured manner, incorporating different factors such as borrower specific characteristics, industry specific characteristics etc. Risk rating is made applicable for loan accounts, whether funded or non-funded, with total limits above ₹2.00 lakhs. Bank uses different rating models for different types of exposures. Rating model used for infrastructure exposures and corporate exposures are comprehensive in structure whereas model used for small exposures in the range of ₹2.00 lakhs to ₹50.00 lakhs is relatively simple in structure. Retail advances are rated using different scoring models. Separate scoring models are used for rating Home loans, Auto loans, education loans and loan against property. Bank also uses a separate rating model for rating its investment exposures. Bank is undertaking annual validation of its rating model for exposures of ₹5.00 Crores and above and is also conducting migration and default rate analysis for all loans of ₹50.00 lakhs and above. Rating process and rating output are used by the Bank in sanction and pricing of its exposures. Bank also conducts annual credit rating of its exposures and the findings are used in annual migration study and portfolio evaluation. Credit facilities are sanctioned at various levels in accordance with the delegation approved by the Board. Bank has generally adopted a committee approach for credit sanction. Wherever individuals exercise their powers for credit sanction, the same is subjected to confirmation by a higher authority. Credit rating assigned by an official is also subjected to confirmation by a different official. Credit audit is being conducted at specified intervals. Bank has made reasonably good progress in implementing all available instruments of credit risk mitigation.
	Policies for hedging / mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/ mitigants: Bank's Credit Risk Management Policy stipulates various tools for mitigation of credit risk and collateral management. Investment Policy of the Bank covers risk related to investment activities of the Bank and it prescribes prudential limits, methods of risk measurement, and hedges required in mitigation of risk arising in investment portfolio. Risk Management Committee of the Board and executive level Credit Risk Management Committee monitor, discuss, evaluate and review risk mitigation levels and effectiveness of mitigation measures. Risk rating process by itself is an integral part of processes of selection of clients and sanction of credit facilities. Exercise of delegation for sanction of fresh loans or renewal/review of existing exposure by field level functionaries is permitted only for borrowers above a pre-specified rating grade. Entry-level restrictions are further tightened in certain sectors when market signals need for extra caution. Rating of an exposure awarded by an official is confirmed by another official to ensure its integrity.

2	**Market risk**
	Strategies and processes: Independent Mid office, which forms a part of Market Risk Division of IRMD, is operational in the floor of Bank's Treasury for onsite monitoring of Treasury functions. Market risk is monitored through various risk limits set vide Board approved Market Risk Management Policy. Detailed policies like Asset Liability Management Policy, Investment Policy, Derivatives Policy, Forex policy, Market Risk Management Policy etc. are put in place for the conduct of business exposed to market risk and also for effective management of all market risk exposures. The policies and practices also take care of monitoring and controlling of liquidity risk arising out of its banking and trading book operations.
	Structure and organization of risk management function: Risk Management Committee of the Board oversees bank-wide risk management. Asset Liability Management Committee (ALCO), also known as Market Risk Management Committee, is primarily responsible for establishing market risk management and asset liability management in the Bank. ALCO is responsible for implementing risk management guidelines issued by the regulator, leading risk management practices followed globally and monitoring adherence to the internal parameters, procedures, practices/policies and risk management prudential limits. Independent Mid Office conducts market risk management functions like onsite monitoring of adherence to set limits, independent valuation and reporting of activities. This separate desk monitors market/operational risks in Bank's Treasury/ Forex operations on a daily basis and reports directly to the Head of IRMD and Chief Risk Officer.
	Scope and nature of risk reporting / measurement systems: Bank has put in place regulatory/ internal limits for various products and business activities relating to trading book. Bank also subjects NSLR investment exposures to credit rating. Limits for exposures to counterparties, industries and countries are monitored and risks are controlled through Stop Loss Limits, Overnight Limit, Daylight Limit, Aggregate Gap Limit, Individual Gap Limit, Inter-Bank dealing and investment limits etc. Parameters like Modified Duration, VaR etc are also used for risk management and reporting.
	Policies for hedging / mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/ mitigants Policies for hedging/ mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants are discussed in ALCO and based on the views taken by/ mandates given by ALCO, hedge deals/ mitigation steps are undertaken. Liquidity risk of the Bank is assessed through Statements of Structural Liquidity and Short Term Dynamic Liquidity. The liquidity profile of the Bank is measured on a static

	and dynamic basis using the Statements of Structural Liquidity and Short Term Dynamic Liquidity, respectively. Structural liquidity position is assessed on a daily basis and dynamic liquidity position is assessed on a fortnightly basis. Additional prudential limits on liquidity risk fixed as per ALM policy of the Bank are also monitored by ALCO on a quarterly basis. Interest rate risk is analyzed from earnings perspective using Traditional Gap Analysis and economic value perspective using Duration Gap Analysis on a monthly basis. Based on the analysis, steps are taken to minimize the impact of interest rate changes. Bank is computing LCR (Liquidity Coverage Ratio) on a monthly basis. Advance techniques such as Stress testing, sensitivity analysis etc. are conducted periodically to assess the impact of various contingencies.
3	**Operational risk**
	Strategies and processes: Operational risk is primarily managed by prescribing adequate controls and mitigation measures, which are being reviewed and updated on a regular basis, to suit the changes in business practices, structure and risk profile. Bank has put in place a comprehensive bank-wide Business Continuity Plan to ensure continuity of critical operations of the Bank covering all identified disasters. All new schemes/products of the Bank are risk vetted from the point of view of operational risk, before implementation.
	Structure and organization of risk management function Risk Management Committee of the Board oversees bank-wide risk management. Bank has put in place detailed framework for Operational Risk Management with a well-defined ORM Policy. Operational Risk Management Committee (ORMC) at the executive level oversees bank wide implementation of Board approved policies and processes in this regard. Apex level Business Continuity Plan Committee monitors the business continuity preparedness of the Bank on an ongoing basis.
	Scope and nature of risk reporting / measurement systems: Bank is collecting operational risk loss data directly from the loss originating points, with effect from 01.01.2009. Bank also introduced separate accounting of operational risk events to enhance transparency and to enable effective monitoring of loss events. Well-designed system for reporting identified loss events and data in the most granular form is put in place. Operational Risk Division is the central repository for operational loss data of the Bank. Consolidation and analysis of loss data is placed before the Operational Risk Management Committee on a quarterly basis. Bank is conducting Risk and Control Self Assessment process on a periodic basis. Bank is also monitoring its key operational risk indicators on a periodic basis.

	Policies for hedging / mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/ mitigants: Bank is using insurance for mitigating operational risk. Bank is subscribing to the General Banker's Indemnity Policy as mitigation against loss of securities due to various external events. Bank also mitigates loss in other physical assets through property insurance.
4	**Interest rate risk in Banking Book**
	Strategies and processes: Interest Rate Risk is assessed in two perspectives – Earnings perspective using Traditional Gap Analysis to assess the impact of adverse movement in interest rate on the Net Interest Income (Earnings at Risk) and economic value perspective using Duration Gap Analysis to assess the impact of adverse movement in interest rate on the market value of Bank's equity.
	Structure and organization of risk management function: Risk Management Committee at the Board level and ALCO at the executive level are responsible for effective management of Interest Rate Risk in Bank's business. Board approved ALM Policy governs the interest rate risk management framework of the Bank. Market Risk Management Policy takes care of the management of interest rate risk in the Trading Book of the Bank.
	Scope and nature of risk reporting / measurement systems: Interest rate risk in Banking Book is assessed and Modified Duration of Equity is evaluated on a monthly basis. The likely drop in Market Value of Equity for 200 bps change in interest rates is computed and benchmarked under the Internal Capital Adequacy Assessment Process for computation of Pillar II capital charge for Interest Rate Risk. Earnings at Risk based on Traditional Gap Analysis are calculated on a monthly basis. The results of Duration Gap Analysis as well as that of Traditional Gap Analysis including the adherence to tolerance limit set in this regard is monitored and is placed before ALCO / RMC for approval. Stress tests are conducted to assess the impact of interest rate risk under different stress scenarios on earnings of the Bank.
	Policies for hedging / mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/ mitigants: Bank has put in place mitigating/hedging measures prescribed by Investment Policy, ALM Policy, Market Risk Management Policy and Derivatives Policy. Risk profiles are analyzed and mitigating strategies/ hedging process are suggested and operationalized by Treasury Department with the approval of Senior level Committees.

Structure and organization of Bank's risk management function
Bank has put in place appropriate organizational framework for bank-wide management of risk on integrated basis. The structure ensures coordinated process for measuring and managing all types of risk on an enterprise-wide basis to achieve organizational goals. The structure assures adherence to regulatory stipulations. The structure is designed in tune with the guidelines of Regulator. Bank's Board at the top of the structure has assumed overall responsibility for bank-wide management of risk. The Board decides risk management policies of the Bank and sets risk exposure limits by assessing Bank's risk appetite and risk bearing capacity. Risk Management Committee of the Board assumes responsibility of devising policy and strategy for enterprise-wide risk management. The Committee also sets guidelines for measurement of risks, risk mitigation and control parameters and approves adequate infrastructure for risk management. The Committee meets regularly and reviews reports placed on various risk areas. There are three support committees of senior executives (CRMC, ALCO also known as MRMC, ORMC) responsible for implementation of policies and monitoring of level of risks in their respective domains. The Committees are headed by Managing Director & CEO. Senior executives from respective functional areas and risk management are members of the Committee. The Committees meet regularly to take stock of various facets of risk management function and place their reports to Board level Risk Management Committee. CRMC and ALCO meet at least once in a month and ORMC meets at least once in a quarter. Depending on requirement, ALCO meets very often. Further, an apex level Business Continuity Plan Committee is constituted with the Managing Director & CEO as its head, to ensure continuity of critical operations of the Bank in the event of occurrence of disasters. Integrated Risk Management Department is responsible for overall identification, measurement, monitoring and control of various types of risks faced by the Bank in its operations and compliance of risk management guidelines and policies issued by Regulator/Board. IRMD has three separate divisions; Credit Risk Division, Market Risk Division and Operational Risk Division. Division Heads report to the Head of IRMD who in turn reports the Chief Risk Officer. The Chief Risk Officer reports directly to the Managing Director & CEO.

TABLE DF – 3: CREDIT RISK: GENERAL DISCLOSURES

1.	Qualitative disclosures
	Definitions of past due and impaired (for accounting purposes). 1. Non-Performing Assets An asset including a leased asset becomes non-performing when it ceases to generate income for the bank. A non-performing asset (NPA) is a loan or an advance where a. Interest and/or installment of principal remain overdue for a period of more than 90

	days in respect of a term loan b. The account remains 'out of order' as indicated in paragraph 2 below, in respect of an Overdraft /Cash Credit (OD/CC) c. The bill remains overdue for a period of more than 90 days in case of bills purchased and discounted d. The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops e. The installment of principal or interest thereon remains overdue for one crop season for long duration crops. An account is classified as NPA if the interest charged during any quarter is not serviced fully within 90 days from the end of the quarter. 2. <u>'Out of Order' status</u> An 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. 3. <u>'Overdue'</u> Any amount due to the bank under any credit facility is 'overdue' if it is not paid on the due date fixed by the bank. 4. <u>Special Mention Accounts</u> As prescribed by the regulator, the Bank is required to identify incipient stress in the account by creating a Sub Asset category named as 'Special Mention Accounts' (SMA). It is considered as a corrective action plan to arrest slippages of standard assets to NPA. Accordingly, Bank is identifying three sub categories under SMA as below. • SMA-0- Principal or interest payment not overdue for more than 30 days, but account showing signs of incipient stress due to various non-financial reasons. • SMA-1- Principal or interest overdue between 31-60 days. • SMA-2- Principal or interest overdue between 61-90 days.
	Credit Risk a. Inability or unwillingness of the counterparty to pay interest, repay principal or otherwise to fulfill their contractual obligations under loan agreements or other credit facilities b. Downgrading of counterparties whose credit instruments the Bank may be holding, causing the value of those assets to fall. c. Settlement Risk (possibility that the Bank may pay counterparty and fail to receive the corresponding settlement in return).

	Discussion of the Bank's Credit Risk Management Policy Bank has put in place a detailed Credit Risk Management Policy. Goal of this policy is to create a transparent framework for identification, assessment and effective management of credit risk in all operations of the Bank and to secure organizational strength and stability in the long run. The policy aims at contributing to the Bank's profitability by efficient and profitable utilization of a prudent proportion of the Bank's resources and maintaining a reasonably balanced portfolio of acceptable risk quality through diversification of credit risks. The policy also envisages optimizing returns with satisfactory spread over funding cost and overheads. The policy also deals with structure, framework and processes for effective management of inherent credit risk.

Quantitative disclosures Amount in ₹ Mn

	Fund based exposure*	Non-fund based exposure**	Total
Total gross credit risk exposures (after accounting offsets in accordance with the applicable accounting regime and without taking into account the effects of credit risk mitigation techniques)	615672.08	39391.03	655063.11
Geographic distribution of exposures (same basis as adopted for segment reporting adopted for compliance with AS 17)			
Overseas	0.00	0.00	0.00
Domestic	615672.08	39391.03	655063.11

**Fund based exposures include all type of funded facilities including the unavailed limits and inter-bank exposures. However, exposures to Food Credit, RIDF related exposures, deposits to SIDBI, NABARD and NHB for priority sector lending purposes are excluded.*

***Non fund based exposures include guarantees, Letters of Credit and Co-Acceptances of bills/deferred payment guarantees.*

INDUSTRY TYPE DISTRIBUTION OF EXPOSURES

(With industry break up on same lines as prescribed for DSB returns) (Amount in ₹ Mn)

Industry Name	Total Credit Exposure Funded	Total Credit Exposure Non-Funded	Total Credit Exposure (Funded and Non-Funded)	% to Gross Credit Exposure
A. Mining and Quarrying	1,947.25	115.13	2,062.39	0.31%
A.1 Coal	86.45	0.00	86.45	0.01%
A.2 Others	1,860.80	115.13	1,975.93	0.30%
B. Food Processing	1,674.77	46.24	1,721.01	0.26%
B.1 Sugar	1,281.49	5.53	1,287.02	0.20%
B.2 Edible Oils and Vanaspati	0.02	6.85	6.88	0.00%
B.3 Tea	0.00	4.02	4.02	0.00%
B.4 Coffee	317.54	0.00	317.54	0.05%
B.5 Others	75.71	29.84	105.55	0.02%
C. Beverages (excluding Tea & Coffee) and Tobacco	435.66	0.50	436.16	0.07%
C.1 Tobacco and tobacco products	254.43	0.00	254.43	0.04%
C.2 Others	181.22	0.50	181.72	0.03%
D. Textiles	13,883.04	31.32	13,914.36	2.12%
D.1 Cotton	3,994.14	13.78	4,007.92	0.61%
D.2 Jute	892.09	0.07	892.16	0.14%
D.3 Man-made	0.00	0.00	0.00	0.00%
D.4 Others	8,996.81	17.47	9,014.28	1.38%
Out of D (i.e., Total Textiles) to Spinning Mills	266.60	0.35	266.95	0.04%
E. Leather and Leather products	1,207.21	13.71	1,220.92	0.19%
F. Wood and Wood Products	2,839.02	7.18	2,846.20	0.43%
G. Paper and Paper Products	4,103.20	72.73	4,175.93	0.64%
H. Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	2,091.95	8.27	2,100.21	0.32%
I. Chemicals and Chemical Products (Dyes, Paints, etc.)	11,702.31	24.23	11,726.54	1.79%
I.1 Fertilizers	3,649.04	1.00	3,650.04	0.56%
I.2 Drugs and Pharmaceuticals	2,669.71	3.07	2,672.78	0.41%
I.3 Petro-chemicals (excluding under Infrastructure)	2,033.36	7.07	2,040.42	0.31%
I.4 Others	3,350.20	13.09	3,363.29	0.51%
J. Rubber, Plastic and their Products	6,008.57	14.78	6,023.35	0.92%
K. Glass & Glassware	226.86	18.75	245.60	0.04%
L. Cement and Cement Products	2,034.18	10.50	2,044.68	0.31%
M. Basic Metal and Metal Products	21,333.56	612.03	21,945.59	3.35%
M.1 Iron and Steel	16,303.39	270.97	16,574.36	2.53%
M.2 Other Metal and Metal Products	5,030.17	341.06	5,371.23	0.82%
N. All Engineering	7,403.17	4,654.85	12,058.02	1.84%

N.1 Electronics	121.52	0.11	121.62	0.02%
N.2 Others	7,281.66	4,654.74	11,936.40	1.82%
O. Vehicles, Vehicle Parts and Transport Equipments	3,266.60	16.62	3,283.22	0.50%
P. Gems and Jewellery	1,131.20	0.00	1,131.20	0.17%
Q. Construction	1,413.82	23.32	1,437.14	0.22%
R. Infrastructure	57,407.20	15,851.33	73,258.53	11.18%
R.a Transport (a.1 to a.6)	19,755.97	1,344.06	21,100.03	3.22%
R.a.1 Roads and Bridges	13,026.31	994.06	14,020.37	2.14%
R.a.2 Ports	0.00	0.00	0.00	0.00%
R.a.3 Inland Waterways	0.00	0.00	0.00	0.00%
R.a.4 Airport	6,729.66	350.00	7,079.66	1.08%
R.a.5 Railway Track, tunnels, viaducts, bridges	0.00	0.00	0.00	0.00%
R.a.6 Urban Public Transport (except rolling stock in case of urban road transport)	0.00	0.00	0.00	0.00%
R.b. Energy (b.1 to b.6)	24,907.59	1,650.00	26,557.59	4.05%
R.b.1 Electricity Generation	7,374.24	1,260.00	8,634.24	1.32%
R.b.1.1 Central Govt PSUs	0.00	0.00	0.00	0.00%
R.b.1.2 State Govt PSUs (incl. SEBs)	289.91	0.00	289.91	0.04%
R.b.1.3 Private Sector	7,084.33	1,260.00	8,344.33	1.27%
R.b.2 Electricity Transmission	297.68	0.00	297.68	0.05%
R.b.2.1 Central Govt PSUs	0.00	0.00	0.00	0.00%
R.b.2.2 State Govt PSUs (incl. SEBs)	0.00	0.00	0.00	0.00%
R.b.2.3 Private Sector	297.68	0.00	297.68	0.05%
R.b.3 Electricity Distribution	17,235.67	390.00	17,625.67	2.69%
R.b.3.1 Central Govt PSUs	0.00	0.00	0.00	0.00%
R.b.3.2 State Govt PSUs (incl. SEBs)	14,886.22	0.00	14,886.22	2.27%
R.b.3.3 Private Sector	2,349.45	390.00	2,739.45	0.42%
R.b.4 Oil Pipelines	0.00	0.00	0.00	0.00%
R.b.5 Oil/Gas/Liquefied Natural Gas (LNG) storage facility	0.00	0.00	0.00	0.00%
R.b.6 Gas Pipelines	0.00	0.00	0.00	0.00%
R.c. Water and Sanitation (c.1 to c.7)	460.97	3.43	464.40	0.07%
R.c.1 Solid Waste Management	0.00	0.00	0.00	0.00%
R.c.2 Water supply pipelines	460.97	3.43	464.40	0.07%
R.c.3 Water treatment plants	0.00	0.00	0.00	0.00%
R.c.4 Sewage collection, treatment and disposal system	0.00	0.00	0.00	0.00%
R.c.5 Irrigation (dams, channels, embankments etc)	0.00	0.00	0.00	0.00%
R.c.6 Storm Water Drainage System	0.00	0.00	0.00	0.00%
R.c.7 Slurry Pipelines	0.00	0.00	0.00	0.00%
R.d. Communication (d.1 to d.3)	1,586.29	12,504.23	14,090.53	2.15%
R.d.1 Telecommunication (Fixed network)	1,586.29	12,504.23	14,090.53	2.15%

R.d.2 Telecommunication towers	0.00	0.00	0.00	0.00%
R.d.3 Telecommunication and Telecom Services	0.00	0.00	0.00	0.00%
R.e. Social and Commercial Infrastructure (e.1 to e.9)	5,643.56	56.70	5,700.26	0.87%
R.e.1 Education Institutions (capital stock)	4,093.70	0.00	4,093.70	0.62%
R.e.2 Hospitals (capital stock)	1,315.71	56.20	1,371.91	0.21%
R.e.3 Three-star or higher category classified hotels located outside cities with population of more than 1 million	0.00	0.00	0.00	0.00%
R.e.4 Common infrastructure for industrial parks, SEZ, tourism facilities and agriculture markets	50.56	0.00	50.56	0.01%
R.e.5 Fertilizer (Capital investment)	0.00	0.00	0.00	0.00%
R.e.6 Post harvest storage infrastructure for agriculture and horticultural produce including cold storage	183.59	0.50	184.09	0.03%
R.e.7 Terminal markets	0.00	0.00	0.00	0.00%
R.e.8 Soil-testing laboratories	0.00	0.00	0.00	0.00%
R.e.9 Cold Chain	0.00	0.00	0.00	0.00%
R.f. Others, if any, please specify	5,052.82	292.91	5,345.73	0.82%
Infrastructure Finance	0.00	0.00	0.00	0.00%
Other Infrastructure	5,052.82	292.91	5,345.73	0.82%
S. Other Industries	4,369.40	5,715.82	10,085.22	1.54%
All Industries (A to S)	144,478.97	27,237.30	171,716.27	

* Total exposure to Infrastructure exceeds 5% of gross credit exposure

RESIDUAL CONTRACTUAL MATURITY BREAKDOWN OF ASSETS (maturity bands as used in ALM returns are used)

(Amount in ₹ Mn)

	Cash	Balances with RBI	Balances with other banks	Investments	Advances	Fixed assets	Other assets	Total
Day 1	7338.20	86.77	6774.54	55715.82	25330.94	0.00	583.32	95829.59
2 – 7 days	0.00	268.19	7403.05	2221.25	2812.83	0.00	3.29	12708.61
8-14 days	0.00	300.51	1989.65	1029.05	3277.28	0.00	711.14	7307.63
15-28 days	0.00	399.66	37.00	6870.84	6094.12	0.00	825.42	14227.04
29 days & up to 3 months	0.00	2013.66	478.50	15653.11	31707.46	0.00	4540.68	54393.41
Over 3 months & up to 6 months	0.00	2697.17	0.00	13107.26	31466.16	0.00	3605.28	50875.87
Over 6 months & up to 1 year	0.00	4462.05	0.00	9607.93	60745.95	0.00	4305.96	79121.89
Over 1 year & up to 3 years	0.00	11780.50	0.00	16723.57	251717.14	0.00	11196.65	291417.86
Over 3 years & up to 5 years	0.00	454.50	0.00	32120.80	51021.07	0.00	10049.59	93645.96
Over 5 years	0.00	6043.16	0.00	93423.63	63355.13	5031.00	17711.10	185564.02
Total	7338.2	28506.17	16682.74	246473.26	527528.08	5031.00	53532.43	885091.88

ASSET QUALITY

Advances (Amount in ₹ Mn.)

Amount of Non-Performing Assets (Gross)	16841.13
Substandard	8566.48
Doubtful 1	3674.06
Doubtful 2	3217.93
Doubtful 3	254.77
Loss	1127.89
Net NPA	8761.00
NPA ratios	
Gross NPAs to gross advances (%)	3.15
Net NPAs to net advances (%)	1.66
Movement of NPAs (Gross)	
Opening balance (balance as at the end of previous Fiscal)	10577.32
Additions during the period	12683.24
Reductions	6419.44
Closing balance	16841.12

Movement of provisions (Amount in ₹ Mn.)

	Specific Provision	General Provision
Opening balance (balance as at the end of previous Fiscal)	5281.99	1381.80
Provisions made during the period	5185.75	0.00
Write off	1310.07	0.00
Write back of excess provisions	2688.83	0.00
Any other adjustments, including transfers between provisions	0.00	0.00
Closing balance	6468.84	1381.80

Details of write offs and recoveries that have been booked directly to the income statement (Amount in ₹ Mn)

Write offs that have been booked directly to the income statement	1310.07
Recoveries that have been booked directly to the income statement	717.25

Investments (Amount in ₹ Mn)

Amount of Non Performing Investments (Gross)	472.00
Amount of provisions held for Non Performing Investments	472.00
Movement of provisions for depreciation on investments	
Opening balance (balance as at the end of previous Fiscal)	124.82
Provisions made during the period	171.46
Write-off	0.00
Write-back of excess provisions	99.92
Closing balance	196.36

Major Industry breakup of NPA (Amount in ₹ Mn)

Industry	Gross NPA	Specific Provision
NPA in Top 5 industries	1746.75	868.92

Geography wise Distribution of NPA and Provision (Amount in ₹ Mn)

Geography	Gross NPA	Specific Provision	General Provision
Domestic	16841.13	6468.84	1381.80
Overseas	0.00	0.00	0.00
Total	16841.13	6468.84	1381.80

TABLE DF – 4: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDIZED APPROACH

1.	**Qualitative disclosures**
	For portfolios under the Standardized Approach;
	Names of credit rating agencies used, plus reasons for any changes. Bank has approved all the six External Credit Rating Agencies accredited by RBI for the purpose of credit risk rating of domestic borrower accounts that forms the basis for determining risk weights under Standardized Approach. External Credit Rating Agencies approved are: 1. CRISIL 2. CARE 3. India Ratings and Research Private Limited (Formerly FITCH INDIA) 4. ICRA 5. Brickwork Ratings India Pvt. Ltd (BRICKWORK) 6. SMERA Ratings Ltd Wherever short term rating is not available, long term rating grade is used to determine risk weight of the short term claims also. However, even if short term rating is available, it is not used to determine risk weight of long term claims. With respect to external credit rating, Bank is using long term ratings for risk weighting all long term claims and unrated short term claims on the same counterparty. However, short term rating of a counterparty is used only to assign risk weight to all short term claims of the obligor and not to risk weight unrated long term claims on the same counterparty For an unrated claim with respect to external credit rating, the Bank is using long term ratings for risk weighting both unrated long term claims as well as unrated short term claims on the same counterparty. However, short term rating of counterparty is only used to assign risk weight to unrated short term claims and not unrated long term claims of the same counterparty. Wherever external credit rating of guarantor is relevant, the same is used as the entity rating of the guarantor and not the rating of any particular issue of the

	guarantor. Whereas the entity ratings are used to risk weight specific unrated credit exposures of counterparty, rating of any credit exposure of the counterparty is not used to arrive at risk weight of that counterparty as guarantor.
	Types of exposure for which each agency is used. 1. Rating by the agencies is used for both fund based and non-fund based exposures. 2. Short Term Rating given by the agencies is used for exposure with contractual maturity of less than or equal to one year (except Cash Credit, Overdrafts and other Revolving Credits). 3. Long Term Rating given by the agencies is used for exposures with contractual maturity of above one year and also for Cash Credit, Overdrafts and other Revolving Credits. 4. Rating assigned to one particular entity within a corporate group is not used to risk weight other entities within the same group.
	Description of the process used to transfer public issue ratings onto comparable assets in the Banking Book The ratings available in public domain are mapped according to mapping process as envisaged in RBI guidelines on the subject. Issue Specific Ratings (Bank's own exposures or other issuance of debt by the same borrower constituent/counterparty) or Issuer Ratings (borrower constituent/ counterparty) are applied to unrated exposures of the same borrower constituent/ counterparty subject to the following: 1. Issue specific ratings are used where the unrated claim of the Bank ranks paripassu or senior to the rated issue / debt. 2. Wherever issuer rating or issue specific ratings are used to risk weight unrated claims, such ratings are extended to entire amount of claim on the same counterparty. 3. Ratings used for risk weighting purposes are confirmed from the websites of the rating agencies concerned.

2.	**Quantitative disclosures**		
	Risk weight wise details of exposures (rated and unrated) after risk mitigation subject to the Standardized Approach (Credit equivalent amount of all exposures subjected to Standardized Approach, after risk mitigation)	Risk Weight	Amount in ₹ Mn
		Below 100 %	451301.59
		100 %	200693.45
		More than 100 %	61385.85
		Deducted	0.00
		Total	713380.89

LEVERAGE RATIO (Consolidated)

Leverage ratio is a non-risk based measure of exposure over capital. The leverage ratio is calibrated to act as a credible supplementary measure to the risk based capital requirements. The Basel III leverage ratio is defined as the ratio of capital measure (the numerator) to exposure measure (the denominator), expressed as a percentage.

The capital measure used for the leverage ratio at any particular point in time is the Tier 1 capital measure applying at that time under the risk-based framework. Total exposure measure is the sum of the on-balance sheet exposures, derivative exposures, securities financing transaction (SFT) exposures and off- balance sheet (OBS) items

$$Leverage\ Ratio = \frac{Capital\ Measure\ (Tier\ I\ Capital)}{Exposure\ Measure}$$

(**Amount in ₹ Mn)**

Tier 1 Capital	76654.13
Exposure Measure	964415.08
Leverage Ratio	7.95%