ADDITIONAL DISCLOSURES AS ON 30.09.2017

Data Required as per Pillar III disclosure under Basel III

1. **Scope of Application and Capital Adequacy**

<u>TABLE DF –1:</u> Scope of application

Name of the Banking Group to which the frame work applies

(i) <u>Qualitative disclosures:</u>

Name of the Entity / Country of Incorporation	Whether the entity is included under accounting scope of Consolidation (yes/ no)	Explain the method of consolidation	Whether the entity is included under regulatory scope of Consolidation (yes/ no)	Explain the method of consolidation	Explain the reasons for difference in the method of consolidation	Explain the reasons if consolidated under only one of the scopes of consolidation
		Bank does not belong to any group		NA		

a. List of group entities considered for consolidation: Not applicable

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

Name of the Entity / Country of Incorporation	Principal activity of the entity	Total Balance Sheet Equity (as st`ated in the accounting balance sheet of the legal entity)	% of the bank's holding in the total equity	Regulatory treatment of the Bank's investments in the capital instruments of the entity	Total Balance Sheet assets (as stated in the accounting balance sheet of the legal entity)
		Bank does not belong to any group	NA		

ii. <u>Quantitative disclosures:</u>

c. List of Group entities considered for consolidation

Name of the Entity / Country of Incorporation (as indicated in (i)a. above)	Principal activity of the entity	Total Balance Sheet Equity (as stated in the accounting balance sheet of the legal entity)	Total Balance Sheet assets (as stated in the accounting balance sheet of the legal entity)
		Not applicable	

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:

Name of the Subsidiaries / Country of Incorporation	Principal activity of the entity	Total Balance Sheet Equity (as stated in the accounting balance sheet of the legal entity)	% of the bank's holding in the total equity	Capital deficiencies
		Not applicable		

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

Name of the insurance entiites / Country of Incorporation	Principal activity of the entity	Total Balance Sheet Equity (as stated in the accounting balance sheet of the legal entity)	% of the bank's holding in the total equity/ proportion of voting power	Quantitative impact on regulatory capital of using risk weighting method vs. using the full deduction method
		Not applicable		

f. Any restrictions or impediments on transfer of funds or regulatory capital within the Banking Group:

Not Applicable

Table DF – 2

CAPITAL ADEQUACY

Qualitative disclosures:

Banks in India implemented capital adequacy measures in April 1992 based on the capital adequacy framework (Basel-I) issued by the Basel Committee on Banking Supervision (BCBS) and the guidelines issued by Reserve Bank of India (RBI) from time to time. Initially the Basel framework addressed the capital for credit risk, which was subsequently amended to include capital for market risk. In line with the guidelines issued by the RBI the bank was compliant with the relevant guidelines.

Subsequently, the BCBS released the "International Convergence of Capital Measurement and Capital Standards: A Revised Framework" on June 26, 2004. The Revised Framework was updated in November 2005 to include trading activities and the treatment of double default effects and a comprehensive version of the framework was issued in June 2006.

In line with the RBI guidelines, the Bank had migrated to the revised (Basel-II) framework from 31.3.2008 and continues to be compliant with the requirements of Basel-II framework.

The Bank has computed capital for market risk and operational risk as per the prescribed guidelines at the bank's Central Office, based on the relevant data. In computation of capital for Credit risk under Standardized Approach, the bank has relied upon the borrower-wise data captured from each individual branch besides portfolios held at Central Office of the bank. In all loan types, the credit risk capital computation is done on borrower basis or facility type basis as per the segmentation advised in the RBI guidelines. For this purpose, the Bank has developed in-house software, which enables computation of capital for credit risk of the advances portfolio of the branches and generation of the requisite reports at the Branch level, Regional Office level and Central Office level through CBS System. Necessary training is imparted to the field staff periodically on various aspects of capital computation and close interactions held with the coordinators at Regional Offices, to ensure accuracy and adequacy of data in capital computation.

Reserve Bank of India has issued guidelines on implementation of Basel III capital regulations in India to be implemented in phased manner effective from April 1, 2013 with Banks disclosing Basel III capital ratios from the quarter ending June 30, 2013. The bank is complying with the same.

RBI has prescribed that banks are required to maintain a minimum total capital (MTC) of 9% of total risk weighted assets (RWAs) i.e. capital to risk weighted assets (CRAR). The framework issued by RBI prescribes maintenance of a minimum Tier-1 CRAR of 7% with a minimum CET 1 of 5.5%. Total Capital (Tier 1 Capital plus Tier 2 Capital) must be at least 9% of RWAs on an ongoing basis. Thus, within the minimum CRAR of 9%, Tier 2 capital can be admitted maximum up to 2%. As per Basel III guidelines, in addition to the minimum Common Equity Tier 1 capital of 5.5% of RWAs, banks are also required to maintain a capital conservation buffer (CCB) of 2.5% of RWAs in the form of Common Equity Tier 1 capital with a transitional arrangement from 31.03.2016 to 31.03.2019 at 0.625% every year.

The Bank has put in place a policy on Internal Capital Adequacy Assessment Process (ICAAP) and the framework in consideration of the relevant risk factors of the bank as a measure towards adequacy of capital available to meet the residual risk as part of Pillar 2 requirements of the revised framework commensurate with the bank's overall risk profile. In framing the policy the bank has taken into consideration the requirements prescribed by the RBI in their guidelines and bank's risk appetite.

As part of Basel III framework RBI has introduced Leverage Ratio concept. The leverage ratio is the ratio of Tier-1 capital (Common Equity + Additional Tier I) and total exposure (as defined under Basel III). The leverage ratio has to be maintained on a quarterly basis. Banks operating in India are required to make disclosure of the leverage ratio on quarterly basis and its components from April 1, 2015 on a quarterly basis.

RBI has issued guidelines on two minimum standards Viz. Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) for funding liquidity. The LCR promotes short term resilience of banks to potential liquidity disruptions by ensuring that bank have sufficient high quality liquid assets (HQLA) to survive an acute stress scenario lasting for 30 days. With a view to provide transition time for banks, the requirement would be minimum of 60% for the calendar year 2015 i.e with effect from January 1, 2015 and rise in equal steps to reach the minimum required level of 100% on January 1, 2019 as per the time line given below:

	January 1, 2015	January 1,2016	January 1,2017	January 1,2018	January 1,2019
Minimum LCR	60%	70%	80%	90%	100%

LCR for the bank as on 30.09.2017 stood at 303.97% which is well above the RBI stipulated level of 80% for the current calendar year. Bank is having enough liquidity to meet sudden cash outflows.

Quantitative disclosures:

(Rs. in crore)
As on 30.09.2017

a) Capital requirements for credit risk	
• Portfolios subject to standardised approach	10753.52
• Securitisation exposures	NIL
b) Capital requirements for market risk:	
• Standardised duration approach	
- Interest rate risk	449.74
- Foreign Exchange risk (including gold)	5.41
- Equity risk	716.32
c) Capital requirements for operational risk	
• Basic indicator approach	1180.71
• The Standardised Approach	--
d) Total and Tier 1 capital ratio:	
For the top consolidated group; and	
• Total Capital Ratio (CRAR)	10.32%
• Total CRAR (Subject to application of Prudential Floor)	10.32%
• Total Tier I Capital Ratio (Tier I CRAR)	7.80%
• Common Equity Tier-I Capital Ratio	7.08%

Table DF-3

CREDIT RISK: GENERAL DISCLOSURES FOR ALL BANKS

Qualitative disclosures:

Credit Risk is the possibility of losses associated with diminution in the credit quality of borrowers or counter parties. In a Bank's portfolio, Credit Risk arises mostly from lending and investment activities of the Bank if a borrower / counterparty is unable to meet its financial obligations to the lender/investor. It emanates from changes in the credit quality/worthiness of the borrowers or counter parties. Credit risk also includes counterparty risk and country risk.

Credit rating and Appraisal Process:

The Bank manages its credit risk through continuous measuring and monitoring of risks at obligor (borrower) and portfolio level. The Bank has a robust internal credit rating framework and well-established standardized credit appraisal / approval process. Credit rating is a facilitating process that enables the bank to assess the inherent merits and demerits of a proposal. It is a decision enabling tool that helps the bank to take a view on acceptability or otherwise of any credit proposal.

The rating models factor quantitative and qualitative attributes relating to Risk components such as Industry Risk, Business Risk, Management Risk, Financial Risk, Project risk (where applicable) and Facility Risk etc. The data on industry risk is regularly updated supported by CRISIL based on market conditions.

Bank has implemented "Retail Scoring Models" for Pushpaka (Vehicle Loan), Clean Loan and Housing loan irrespective of the amount w.e.f 02.01.2017.

The bank follows a well-defined multi layered discretionary power structure for sanction of loans and advances. Approval Committees has been constituted at all levels covering Exceptionally Large branch / RO / CO for recommending fresh/enhancement proposal to appropriate sanctioning authorities. Specific Sanctioning Powers have been delegated to Branch Managers.

The new Products/Process/Services introduced by Bank and Modification of existing Product/Process/Services are examined at the head office level by Risk Management Department depending upon the type of risks involved in the new product / process. Then it shall be examined by newly introduced two committees at head office level namely Product/Process Risk Mitigation Committee (PRMC) and Business Process Re-engineering committee (BPR) before launching product/process/service.

Credit Risk Management Policies:

The bank has put in place a well-structured loan policy and credit risk management policy duly approved by Board. The policy document defines organizational structure, role and responsibilities and processes whereby the Credit Risk carried by the Bank can be identified, quantified and managed within the framework that the Bank considers consistent with its mandate and risk tolerance. Credit risk is monitored by the bank on a bank-wide basis and compliance with the risk limits approved by Board / RMCB is ensured. The Credit Policy Committee (CPC) takes into account the risk tolerance level of the Bank and accordingly handles the issues relating to Safety, Liquidity, Prudential Norms and Exposure limits.

The bank has taken earnest steps to put in place best credit risk management practices in the bank. In addition to Loan Policy and Credit Risk Management

Policy, the bank has also framed Funds and Investment Policy, Counter Party Risk Management Policy and Country Risk Management Policy etc., which forms integral part of monitoring of credit risk in the bank. Besides, the bank has implemented a policy on collateral management and credit risk mitigation which lays down the details of securities (both prime and collateral) normally accepted by the Bank and administration of such securities to protect the interest of the bank. Presently, some select securities act as mitigation against credit risk (in capital computation), to which the bank is exposed.

(Rs. in crore)

Quantitative disclosures:	**30.09.2017**
a) Total gross credit risk exposures:	
Fund based	215308.97
Non fund based	14731.64
Total	**230040.61**
b) Geographic distribution of exposures,	
• **Domestic**	
Fund based	140287.07
Non Fund based	22886.29
• **Overseas**	
Fund based	12376.57
Non Fund based	1431.83
c) Industry type distribution of exposures, fund based and non-fund based separately	Annexed
d) Residual contractual maturity breakdown of assets	Annexed
e) Amount of NPAs (Gross)	34708.59
• Substandard	6685.15
• Doubtful (D1, D2, D3)	28013.42
• Loss	10.02
f) Net NPAs	18949.55
g) NPA Ratios	
• Gross NPAs to gross advances	22.73%
• Net NPAs to net advances	13.86%
h) Movement of NPAs (Gross)	
• Opening balance (01.04.2017)	35098.25
• Additions	5412.77
• Reductions	5802.43
• Closing balance (30.09.2017)	34708.59
i) Movement of provisions for NPAs	
• Opening balance (01.04.2017)	14149.97
• Provisions made during the period	3909.72
• Write off / Write back of excess provisions	3446.36
• Closing balance (30.09.2017)	14613.33
j) Amount of Non-Performing Investments (Including Rs. 11.62 Crores of ARCIL – SPIC (Non Performing Investment matured for payment))	309.63

Quantitative disclosures:	30.09.2017
k) Amount of provisions held for non-performing investments (Including Rs. 11.62 Crores of ARCIL – SPIC (Non Performing Investment matured for payment))	193.93
l) Movement of provisions for depreciation on investments • Opening Balance (01.07.2017) • Provisions made during the period • Write-off / Write-back of excess provisions • Closing Balance (30.09.2017)	 353.23 17.78 - 371.01

Residual contractual Maturity break down of Assets

(Rs. in crore)

Particulars	Amount
Day 1	10050.64
2 Days – 7 Days	15210.37
8 Days – 14 Days	12658.70
15 Days – 30 Days	4387.54
31 Days – 2 Months	11738.34
2 Months – 3 Months	14448.83
3 Months – 6 Months	20956.80
>6 Months – 12 Months	33026.21
>1 Year – 3 Years	40191.91
>3 Years – 5 Years	16108.56
> 5 Years	73774.77

INDUSTRY WISE EXPOSURES

(Rs. in crore)

Industry Name	Outstanding as on 30.09.2017
Mining and quarrying	2858.79
Food Processing	741.55
Of which Sugar	142.39
Of which Edible Oils and Vanaspati	89.85
Beverages and Tobacco	146.02
Cotton Textiles	2150.13
Handicraft/ Khadi (Non Priority)	129.89
Other Textiles	1905.71
Leather and Leather Products	538.15
Wood and Wood Products	607.96
Paper and Paper Products	445.33
Petroleum (non-infra), Coal Products (non-mining) and Nuclear Fuels	886.84

Industry Name	Outstanding as on 30.09.2017
Chemicals and Chemical Products (Dyes, Paints, etc.,)	2,064.91
Of which Fertilisers	111.71
Of Which Drugs and Pharmaceuticals	612.10
Of which Others	1,341.10
Rubber, Plastic and their products	968.08
Glass & Glassware	111.25
Cement and Cement Products	875.41
Iron and Steel	11,525.09
Other Metal and Metal Products	1,462.24
All Engineering	4,398.33
Of which Electronics	1,149.16
Vehicles, Vehicle Parts and Transport Equipments	2,209.02
Gems and Jewellery	1,187.44
Construction	1,136.50
Infrastructure	23,597.13
Of which Roadways	8,526.39
Of which Energy	11,130.79
Of which Telecommunications	939.48
Other Industries	3,735.56
Residuary Other Advances	88,982.31
Of which Aviation Sector	1,034.87
Total Loans and Advances	1,52,663.64

Table DF-4

CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH (as on 30.09.2017)

Qualitative disclosures:

General Principle:

In accordance with the RBI guidelines, the Bank has adopted Basel II Capital Adequacy Framework for computation of capital for credit risk. In computation of capital, the bank has assigned risk weight to different asset classes as prescribed by the RBI from time to time.

In computation of capital for Credit risk under Standardized Approach, individual exposures are captured. Where the exposures are fully secured such as Jewel Loans, Loans against Term deposits/approved insurance policies etc, these loans are fully netted against available credit risk mitigants (CRM), as the mitigation higher than the exposure is available after applying the applicable hair cut due to higher margin prescription.

External Credit Ratings:

Ratings of borrowers by External Credit Rating Agencies (ECRA) assume importance in the light of Guidelines for implementation of the Basel II Capital Adequacy Framework. Exposures on Corporates / Public Sector Enterprises/ Primary Dealers are assigned with risk weights based on available external ratings. For this purpose, the Reserve Bank of India has permitted Banks to use the ratings of seven domestic ECRAs viz. Credit Analysis and Research Ltd (CARE), CRISIL Ltd, India Ratings(formerly known as FITCH India) and ICRA Ltd, Brickworks Rating Services India Ltd and Small Medium Enterprises Rating Agency Ltd (SMERA) and INFOMERICS Valuation and Rating Pvt Ltd. (INFOMERICS).

In consideration of the above, the Bank has decided to accept the ratings assigned by all these ECRAs for capital relief purpose. The RBI has provided for mapping public issue ratings on to comparable assets into banking book. However, this particular provision has not been taken into account in Credit Risk Capital Computation.

The bank uses only solicited external ratings for capital computation purpose. External ratings assigned fresh or reviewed during the previous 15 months are reckoned for capital computation by the bank.

Internal Credit Rating:

The bank has a well structured internal credit rating mechanism to evaluate the credit risk associated with a borrower and accordingly the systems are in place for taking credit decision as regards the acceptability of proposals and level of exposures and pricing. The bank has prescribed entry level rating in case of new accounts. Accounts with ratings below the entry level can be considered only by higher authorities as per the delegated powers prescribed.

Presently, the internal ratings cannot be used for application of risk weight under Standardised Approach of capital computation. The bank takes into consideration the borrower's loan exposure credit ratings assigned by the approved ECRAs while computing the capital for credit risk as on 30.09.2017 under corporate and PSE segments.

In case of investment in particular issues of Corporates / PSEs, the issue specific rating of the approved ECRAs are reckoned and accordingly the risk weights have been applied after a corresponding mapping to rating scale provided in RBI guidelines.

For the purpose of capital computation of overseas exposures, ratings assigned by the international rating agencies namely Fitch, Moody's and Standard & Poor's are used as per RBI guidelines.

As regards the coverage of exposures in India by external ratings as relevant for capital computation under Standardised Approach, the process needs to be popularized among the borrowers so as to take the benefit of capital relief available for better-rated customers. The borrowers need to consider the external rating as an opportunity for their business development, which would take some time.

Quantitative disclosures:

(Rs. in crore)

Classification	Exposure after Mitigation (EAM)	EAM covered under External Rating	Unrated
ADVANCES / INVESTMENT			
Below 100% risk weight	91609.11	10098.49	81510.62
100% risk weight	69353.52	9851.84	59501.69
More than 100% risk weight	12164.59	1926.96	10237.63
Deducted	0.00	0.00	0.00
TOTAL	**173127.22**	**21877.28**	**151249.94**
OTHER ASSETS			
	17750.27	79.81	17670.46
Below 100% risk weight	8365.29	0.00	8365.29
100% risk weight	8.99	0.00	8.99
More than 100% risk weight	0.00	0.00	0.00
Deducted			
TOTAL	**26124.55**	**79.81**	**26044.74**

Table DF – 5

CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDISED APPROACHES (as on 30.09.2017)

Qualitative disclosures:

Policy on Credit Risk Mitigation:
In line with the regulatory requirements, the bank has put in place a well-articulated policy on collateral management and credit risk mitigation techniques duly approved by the bank's Board. The Policy lays down the type of securities normally accepted by the bank for lending and administration/ monitoring of such securities in order to safeguard /protect the interest of the bank so as to minimize the risk associated with it.

Credit Risk Mitigation under Standardised Approach:

(a) Eligible Financial Collaterals:

As advised by RBI, the Bank has adopted the comprehensive approach relating to credit risk mitigation under Standardised Approach, which allows fuller offset of securities (prime and collateral) against exposures, by effectively reducing the exposure amount by the value ascribed to the securities. Thus the eligible financial collaterals are fully made use of to reduce the credit exposure in computation of credit risk capital.

(b) <u>On Balance Sheet Nettings</u>:

As per Bank's policy on utilization of the credit risk mitigation techniques and collateral management, on–balance sheet netting has been reckoned to the extent of deposits available against loans/advances of the borrower (maximum to the extent of exposure), where bank has legally enforceable netting arrangements involving specific lien with proof of documentation as prescribed by RBI. In such cases, the capital computation is done on the basis of net credit exposure.

(c) Eligible Guarantees:

Other approved form of credit risk mitigation is availability of "Eligible Guarantees". In computation of credit risk capital, types of guarantees recognized as mitigation, in line with RBI guidelines are (a) Central Government (0%) (b) State Government (20%), (c) CGTMSE (0%) (d) ECGC (20%) (e) Banks in the form of Bills Purchased/discounted under Letters of Credit (both domestic and foreign banks as per guidelines).

The bank has ensured compliance of legal certainty as prescribed by the RBI in the matter of credit risk mitigation.

Concentration risk in credit risk mitigation:

Policies and process are in place indicating the type of mitigants the bank use for capital computation under the Standardised approach. All types of securities (financial collaterals) eligible for mitigation are easily realizable financial securities. As such, the bank doesn't envisage any concentration risk in credit risk mitigation used and presently no limit/ceiling has been prescribed for the quantum of each type of collateral under credit risk mitigation.

Quantitative Disclosures

(Rs. in crore)

Particulars	**Amount**
For each separately disclosed credit risk portfolio, the exposure (after, where applicable, on or off balance sheet netting) that is covered by Eligible Financial Collateral after application of haircuts	**17547.64**
Domestic Sovereign	0.00
Foreign Sovereign	0.00
Public Sector Entities	619.80
Banks – Schedule (INR)	0.00
Foreign Bank claims in FCY	0.00
Primary Dealers	0.00
Corporates	2193.27
Regulatory Retail Portfolio (RRP)	10545.98

Particulars	**Amount**
Claims secured by Residential Property	7.86
Claims secured by Commercial Real Estate	2.43
Consumer Credit	3838.16
Capital Market Exposure	0.00
NBFC	2.01
Venture Capital	0.00
Non Performing Assets – a) Housing Loan	0.10
Non Performing Assets – b) Others	180.49
Other Assets – Staff Loans	21.65
Other Assets	135.69
Restructured Accounts	0.00
Claims secured by C.R.E-RH	0.20
Restructured Housing Loan	0.00

<u>Quantitative disclosures:</u>

(Rs. in crore)

Particulars	**Amount**
For each separately disclosed credit risk portfolio, the total exposure (after, where applicable, on or off balance sheet netting) that is covered by guarantees / Credit Derivatives (whenever specifically permitted by RBI)	**8301.32**
Public Sector Entities	4178.53
Corporate	887.47
Regulatory Retail Portfolio (RRP)	3235.32
Restructured	0.00
CRE	0.00
CRE-RH	0.00

Table DF 6

<u>SECURITISATION: DISCLOSURE FOR STANDARDISED APPROACH</u>

No Securitization for the H.Y. ended 30.09.2017

Table DF – 7

<u>Qualitative disclosure:</u>

Market Risk:

Market Risk is defined as the possibility of loss to a bank in on & off-balance sheet position caused by changes/movements in market variables such as interest rate, foreign currency exchange rate, equity prices and commodity prices. Bank's exposure to market risk arises from domestic investments (interest related instruments and equities) in trading book (Both AFS and HFT categories), the Foreign Exchange positions (including open position, if any, in precious metals) and trading related derivatives. The objective of the market risk management is to minimize the impact of losses on earnings and equity capital arising from market risk.

Policies for management of market risk:

The bank has put in place Board approved Market Risk Management Policy and Asset Liability Management (ALM) policy for effective management of market risk in the bank. Other policies which deal with market risk management are Funds Management and Investment Policy, Derivative Policy, Risk Management Policy for forex operations and Stress testing policy. The market risk management policy lays down well defined organization structure for market risk management functions and processes whereby the market risks carried by the bank are identified, measured, monitored and controlled within the ALM framework, consistent with the Bank's risk tolerance. The policies set various risk limits for effective management of market risk and ensuring that the operations are in line with Bank's expectation of return to market risk through proper Asset Liability Management. The policies also deal with the reporting framework for effective monitoring of market risk.

The ALM policy specifically deals with liquidity risk management and interest rate risk management framework. As envisaged in the policy, liquidity risk is managed through GAP analysis based on residual maturity/behavioral pattern of assets and liabilities on daily basis based on best available information data coverage as prescribed by RBI. The liquidity risk through Structural Liquidity statement was hitherto reported to RBI for domestic operation while the same was managed separately at each overseas center and placed to ALCO for control purpose in the past. However as per RBI guidelines from March 2013 the liquidity risk is computed and submitted to RBI in rupee and foreign currency for domestic operations, overseas centers and consolidated for Bank operations at various frequencies.

The bank has put in place mechanism of short-term dynamic liquidity management and contingent funding plan. Prudential (tolerance) limits are prescribed by RBI for the first four buckets and by Bank's Board for different residual maturity time buckets for efficient asset liability management. Liquidity profile of the bank is evaluated through various liquidity ratios. The bank has also drawn various contingent measures to deal with any kind of stress on liquidity position. Bank ensures adequate liquidity management by Domestic Treasury through systematic and stable funds planning.

Interest rate risk is managed through use of GAP analysis of rate sensitive assets and liabilities and monitored through prudential (tolerance) limits prescribed. The bank estimates earnings at risk for domestic operations and modified duration gap for global operations periodically for assessing the impact on Net Interest Income and Economic Value of Equity with a view to optimize shareholder value.

The Asset-Liability Management Committee (ALCO) / Board monitors adherence to prudential limits fixed by the Bank and determines the strategy in the light of the market conditions (current and expected) as articulated in the ALM policy. The mid-office monitors adherence to the prudential limits on a continuous basis.

As interest rate movements are volatile, particularly on deposits of Rs. 1Crore and above, there is a need to take views on quoting competitive rates to such deposits on daily basis. A subcommittee of ALCO, namely Funds Committee, shall meet dally at the beginning of business hours for this purpose. The committee shall review the present & projected liquidity position of the bank, requirement for immediate payment of funds, market trend regarding deployment opportunities available, impact on un-hedged forex exposure etc.

Quantitative disclosures:

In line with the RBI's guidelines, the Bank has computed capital for market risk as per Standardised Duration Approach of Basel-II framework for maintaining capital. The capital requirement for market risk as on 30.09.2017 in trading book of the bank is as under:

(Rs. in crore)

Type of Market Risk	Risk Weighted Asset (Notional)	Capital Requirement
Interest rate risk	5621.81	449.74
Equity position risk	8953.96	716.32
Foreign exchange risk	67.67	5.41
Total	**14643.44**	**1171.47**

Table DF – 8

OPERATIONAL RISK:

Qualitative disclosures:

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes legal risk but excludes strategic and reputation risk.
The bank has framed operational risk management policy duly approved by the Board. Other policies adopted by the Board which deal with management of operational risk are (a) Information Systems security policy (b) Cyber Security Policy (c) forex risk management policy (d) Policy document on know your customer (KYC) and Anti-Money Laundering (AML) procedures (e) Business Continuity and Disaster Recovery Plan (BC-DRP) (f) compliance policy and (g) policy on outsourcing of Financial Services.

The Bank has got embodied in its Book of Instructions well-defined systems and procedures for various operations. Various internal and external audit systems are in place to ensure that laid down systems and procedures are followed and timely actions are initiated for rectifying the deficiencies.

In line with the final guidelines issued by RBI, our bank is adopting the Basic Indicator Approach for computing capital for operational risk. As per the guidelines the banks must hold capital for operational risk equal to 15% of positive average annual gross income over the previous three years as defined by RBI

Quantitative disclosures:

(Rs. in Crore)

Parameter	Capital amount	Notional Risk Weighted Assets
15% of positive average annual gross income over the previous 3 years as defined by RBI	1180.71	14758.84

Table DF – 9

INTEREST RATE RISK ON THE BANKING BOOK

Qualitative disclosures:

Interest rate risk is the risk where changes in the market interest rates might affect a bank's financial condition. Changes in interest rates may affect both the current earnings (earnings perspective) as also the net worth of the Bank (economic value perspective). The risk from earnings perspective can be measured as impact on the Net Interest Income (NII) or Net Interest Margin. Similarly the risk from economic value perspective can be measured as drop in Economic Value of Equity.

The bank has adopted traditional gap analysis combined with duration gap analysis for assessing the impact (as a percentage) on the Economic Value of Equity (Economic Value Perspective) on global operations by applying a notional interest rate shock of 200 bps over a time horizon of one year. For the purpose a limit of (+/-) 1.00% for modified duration gap is prescribed in the Bank's ALM policy and the position is monitored periodically.

The bank is computing the interest rate risk position in each currency applying the Duration Gap Analysis (DGA) and Traditional Gap Analysis (TGA) to the Rate Sensitive Assets (RSA)/ Rate Sensitive Liabilities (RSL) items in that currency, where either the assets, or liabilities are 5 per cent or more of the total of either the bank's global assets or global liabilities. The interest rate risk positions in all other residual currencies are computed separately on an aggregate basis.

Quantitative disclosures:

The impact of changes of Net Interest Income (NII) and Economic Value of Equity (EVE) calculated as on 30.09.2017 by applying notional interest rate shocks as discussed above are as under

(Rs. in crore)

Change in Interest Rate	ALM Policy Limit for EaR	Earnings at Risk (EaR) 30.09.2017	
		Up to 1 year	Up to 5 years
0.25% change	162.00 (3% of NII of previous year)	102.08	124.37
0.50% change	323.00 (6% of NII of previous year)	204.16	248.74
0.75% change	485.00 (9% of NII of previous year)	306.24	373.11
1.00% change	646.00 (12% of NII of previous year)	408.32	497.48
2.00% change	1292.00 (24% of NII of Previous year)	816.63	994.96

ECONOMIC VALUE OF EQUITY	**30.09.2017**
Modified Duration Gap (DGAP)	0.0700%
Limit as per ALM Policy	(+/-)1.00%
Market value of Equity (MVE)	
For a 200 BPS Rate Shock the Drop in Equity Value	-2.6600%

Table DF – 10

GENERAL DISCLOSURE FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK

Qualitative disclosure:

FINANCIAL/NON FINANCIAL PARAMETERES	DETAILS
a. Capital Adequacy Ratio (CAR)	Banks with CAR of 10% and above are assigned maximum weight-age of 25% and below 8% is assigned 0%. Banks with CAR of less than 6% are assigned with discount factors of 25% that will be deducted from the total weight-age arrived at for computation of counter party limits.
b. Return on Assets (ROA)- Profitability	Banks with ROA of more than or equal to 1.10 are assigned maximum weight-age of 20% and the ROA less than 0.15% are assigned as 0%.
c. Gross NPA/Net NPA – Asset Quality	Banks with Gross NPA (for Foreign Banks)/Net NPA (for Indian Banks) of less than 3.00% are assigned Maximum weight-age of 20% and the Gross NPA/Net NPA more than or equal to 9.00% are assigned zero Weight-age. Banks with Gross NPA/Net NPA more than 15% are

	assigned with discount factors of 20% that is deducted from the total weight-age arrived at for computation of counter party limits. However, this will not be applicable to Banks owned by Govt. (Government holding majority share)
d. External Agencies Ratings (Moody Investors Service or Standard & Poor's)	Ratings of Standard & Poor's, Moody's or Fitch and domestic rating agencies like CRISIL, ICRA, CARE of Brickworks in India are considered for arriving at the counter party limits. Banks rated with the highest/high quality /Exceptional/ Excellent grade are assigned a maximum weight-age of 25% and the unrated shall have a zero weight-age. Most of the Banks in India get themselves rated by rating agencies in India or abroad for their Tier II issuances, borrowing abroad. However, some banks may not have any rating at all by recognized rating agencies. Such banks will be assigned a weight-age of only 5% while assessing counter party limits. Wherever both the ratings are available, lower one will be reckoned and the weight-age is assigned accordingly.
e. Tier One Capital in Absolute Terms	Quantum of exposure assumable in relation to the net-worth of a counter party bank ranges from 15% to 50% of net worth.
Non Financial Reciprocal Business/Relationship/Govt Supported Banks/Indian Public/Private sector banks Country of Incorporation	In addition to the above five key financial parameters there are many other key parameters assessed while forming judgment on the counter party bank. The important among them are a) The spread and nature of the ownership structure b) Management Ability c) Peer comparison d) Importance of the Bank in the Economy and e) country of incorporation/Regulatory environment. There are some banks where bank has to consider limits not based on the financial parameters but simply based on their relationship, reciprocal arrangements, business considerations, requests from Indian branches, overseas centres, etc., Wherever deemed necessary, the weight-age ranging from 0% to 10% shall be considered for Govt. supported banks/Indian Private sector banks/Active correspondent Banks.

Quantitative disclosure:

(Rs. in crore)

No	Particulars	Notional Amount	MTM	Total current credit exposures
1	Derivatives	641.00	0.00	0.00
2	Interest Rates Contracts/Swaps	3410.41	-5.85	2.98
3	Forward Purchase / Sales Contract	26886.70	180.07	637.71
4	Credit Derivatives	0.00	0.00	0.00
5	Credit Default Swaps	0.00	0.00	0.00

Table DF – 11

COMPOSITION OF CAPITAL

Part I : Template to be used only from September 30,2017 : Not Applicable
Part II : Template to be used before September 30,2017 (i.e. during the transition period of Basel III regulatory adjustment)

(Rs. in crore)

Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)			Amounts Subject to Pre-Basel III Treatment
Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	11204.79	11204.79
2	Retained earnings	7500.93	7500.93
3	Accumulated other comprehensive income (and other reserves)	1600.09	1600.09
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies1)	0.00	0.00
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	0.00	0.00
6	**Common Equity Tier 1 capital before regulatory adjustments**	**20305.81**	**20305.81**
Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments		
8	Goodwill (net of related tax liability)		
9	Intangibles (net of related tax liability)	8700.54	8700.54
10	Deferred tax assets2	0.00	0.00
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	0.00	0.00
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)		

17	Reciprocal cross-holdings in common equity	22.91	0.00
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)3	0.00	0.00
20	Mortgage servicing rights4 (amount above 10% threshold)	0.00	0.00
21	Deferred tax assets arising from temporary differences5 (amount above 10% threshold, net of related tax liability)	1042.46	1042.46
22	Amount exceeding the 15% threshold6	0.00	0.00
23	of which: significant investments in the common stock of financial entities	0.00	0.00
24	of which: mortgage servicing rights	0.00	0.00
25	of which: deferred tax assets arising from temporary differences	0.00	0.00
26	National specific regulatory adjustments7 (26a+26b+26c+26d)	0.00	0.00
26a	of which: Investments in the equity capital of unconsolidated insurance subsidiaries	0.00	0.00
26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries8	0.00	0.00
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank9	0.00	0.00
26d	of which: Unamortised pension funds expenditures	0.00	0.00
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0.00	0.00
28	Total regulatory adjustments to Common equity Tier 1	9765.91	9742.99
29	Common Equity Tier 1 capital (CET1)	10539.91	10562.82
Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)	1150.00	780.00
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	0.00	0.00
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	1150.00	780.00

33	Directly issued capital instruments subject to phase out from Additional Tier 1	0.00	0.00
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)	0.00	0.00
35	of which: instruments issued by subsidiaries subject to phase out	0.00	0.00
36	**Additional Tier 1 capital before regulatory adjustments**	**1150.00**	**780.00**
Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	50.00	50.00
38	Reciprocal cross-holdings in Additional Tier 1 instruments	30.00	30.00
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)	0.00	0.00
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)10	0.00	0.00
41	National specific regulatory adjustments (41a+41b)	0.00	0.00
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	0.00	0.00
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	0.00	0.00
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	**Total regulatory adjustments to Additional Tier 1 capital**	80.00	80.00
44	**Additional Tier 1 capital (AT1)**	**1070.00**	**700.00**
45	**Tier 1 capital (T1 = CET1 + Admissible AT1) (29 + 44)**	**11609.91**	**11262.82**
Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	658.00	658.00
47	Directly issued capital instruments subject to phase out from Tier 2	1866.15	2632.30
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)	0	0
49	of which: instruments issued by subsidiaries subject to phase out	0	0
50	Provisions12	1277.57	1277.57
51	**Tier 2 capital before regulatory adjustments**	**3801.72**	**4567.87**

Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	50.00	50.00
53	Reciprocal cross-holdings in Tier 2 instruments	0.00	0.00
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)	0	
55	Significant investments13 in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	0	
56	National specific regulatory adjustments (56a+56b)		
56a	of which: Investments in the Tier 2 capital of unconsolidated subsidiaries	0	
56b	of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	0	
57	**Total regulatory adjustments to Tier 2 capital**	50.00	50.00
58	**Tier 2 capital (T2)**	***3751.72***	***4517.87***
59	**Total capital (TC = T1 + T2) (45 + 58)**	**15361.63**	**15780.69**
60	**Total risk weighted assets (60a + 60b + 60c)**	***148885.82***	
60a	of which: total credit risk weighted assets	119483.55	
60b	of which: total market risk weighted assets	14643.43	
60c	of which: total operational risk weighted assets	14758.84	
Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	7.08%	
62	Tier 1 (as a percentage of risk weighted assets)	7.80%	
63	Total capital (as a percentage of risk weighted assets)	10.32%	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	6.75%	
65	of which: capital conservation buffer requirement	0	
66	of which: bank specific countercyclical buffer requirement	0	
67	of which: G-SIB buffer requirement	0	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	0.33%	
National minima (if different from Basel III)			
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)	7.00%	
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%	

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)	0	
75	Deferred tax assets arising from temporary differences (net of related tax liability)	0	
Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	1277.57	
77	Cap on inclusion of provisions in Tier 2 under standardised approach	1861.07	
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA	
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA	
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	0	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0	
82	Current cap on AT1 instruments subject to phase out arrangements	150	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	-370.00	
84	Current cap on T2 instruments subject to phase out arrangements	1866.15	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	766.15	

Notes to the Template

Rs. (in crore)

Row No. of the template	Particular	Amount
10	Deferred tax assets associated with accumulated losses	0
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	2200.69
	Total as indicated in row 10	0.00

Row No. of the template	Particular	Amount
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	0
	of which: Increase in Common Equity Tier 1 capital	0
	of which: Increase in Additional Tier 1 capital	0
	of which: Increase in Tier 2 capital	0
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	0
	(i) Increase in Common Equity Tier 1 capital	0
	(ii) Increase in risk weighted assets	0
50	Eligible Provisions included in Tier 2 capital	1277.57
	Eligible Revaluation Reserves included in Tier 2 capital	0.00
	Total of row 50	1277.57

Table DF – 12

COMPOSITION OF CAPITAL-RECONCILIATION REQUIREMENTS

(Rs. in crore)

S. No.	Particulars	Balance Sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 30.09.2017	**As on 30.09.2017**
A	**Capital & Liabilities**		
i	**Paid up Capital**	2852.56	2852.56
	Reserves and Surplus	10236.75	10236.75
	Minority Interest	0	0
	Total Capital	**13089.31**	**13089.31**
ii	**Deposits**	**211548.36**	**211548.36**
	of which : Deposit from Banks	23.50	23.50
	of which : customer deposits	211524.86	211524.86
	of which : Others	0	0
iii	**Borrowings**	**13945.86**	**13945.86**
	of which : From RBI	0	0
	of which : From bank	2126.52	2126.52
	of which : from other institutional & agencies	5997.04	5997.04
	of which : Others(pl .Specify)	0	0
	of which : Capital instruments	5822.30	5822.30
iv	**Other liabilities and provisions**	**6903.65**	**6903.65**
	Total	**245487.18**	**245487.18**

S. No.	Particulars	Balance Sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on 30.09.2017	As on 30.09.2017
B	**Assets**		
i	Cash and Balances with Reserve Bank of India	**10294.42**	**10294.42**
	Balance with bank and money at call and short notice	**23321.92**	**23321.92**
II	**Investments**	**59897.02**	**59897.02**
	of which: Government Securities	51063.34	51063.34
	of which: Other approved securities	1.34	1.34
	of Which :shares	1657.15	1657.15
	of which : Debentures & Bonds	4149.68	4149.68
	of which: Subsidiaries / joint Venture /Associates	199.58	199.58
	of which : other (commercial Paper, Mutual Funds etc)	2825.93	2825.93
iii	**Loans and advances**	**136502.44**	**136502.44**
	of which : Loans and advances to banks	388.99	388.99
	of which : Loans and advances to customers	136113.45	136113.45
iv	**Fixed assets**	**2984.50**	**2984.50**
v	**Other assets**	**12486.88**	**12486.88**
	of which : Goodwill and intangible assets	0	0
	of which : Deferred tax assets	2200.43	2200.43
vi	**Goodwill on consolidation**	0	0
vii	**Debit balance in Profit & Loss account**	0	0
	Total	**245487.18**	**245487.18**

(Rs. in crore)

S. No.	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 reserve	
		Component of regulatory capital reported by bank
1	Directly issued qualifying common share (and equivalent for non-joint stock companies) capital plus related stock surplus	11204.79
2	Retained Earning	7500.93
3	Accumulated other comprehensive income (and other reserves)	1600.09

S. No.	Extract of Basel III common disclosure template (with added column)- Table DF-11 (Part I / Part II whichever, applicable)	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)	0.00
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	0.00
6	Common Equity Tier 1 capital before regulatory adjustments	**20305.81**
7	Prudential valuation adjustment	-
8	Goodwill(net of related tax liability)	-

Table DF-13 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS				
Disclosure template for main features of regulatory capital instruments				
S. No.	**Particulars**	**Lower Tier II SERIES XII**	**Lower Tier II SERIES XIII**	**Lower Tier II SERIES XIV**
1	Issuer	PSU Bank	PSU Bank	PSU Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09165	INE565A09181	INE565A09215
3	Governing law(s) of the instrument	Chennai	Chennai	Chennai
	Regulatory treatment			
4	Transitional Basel III rules	Tier II	Tier II	Tier II
5	Post-transitional Basel III rules	ineligible	ineligible	ineligible
6	Eligible at solo/group/group @ solo	Solo	Solo	Solo
7	Instrument type	Tier II debt instruments	Tier II debt instruments	Tier II debt instruments
8	Amount recognised in regulatory capital (Rs. In Crore, as of most recent reporting date)	0.00	5800 Lakhs	60000 Lakhs
9	Par value of instrument	Rs.10.00 lakhs	Rs.10.00 lakhs	Rs.10.00 lakhs
10	Account classification	Liability	Liability	Liability
11	Original date of issuance	22.08.2008	24.08.2009	31.12.2010
12	Perpetual or dated	dated	dated	dated
13	Original maturity date	22.08.2018	24.08.2019	31.12.2020
14	Issuer call subject to prior supervisory approval	Not applicable	Not applicable	Not applicable
15	Optional call date, contingent call dates and redemption amount (Rs. in Crore)	nil, nil, 300	nil, nil, 290	nil, nil, 1000

16	Subsequent call dates, if applicable	Not applicable	Not applicable	Not applicable
	Coupons / dividends			
17	Fixed or floating divend/coupon	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Coupon rate	Coupon rate	Coupon rate
19	Existence of a dividend stopper	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	Not available	Not available	Not available
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down feature	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors
36	Non-compliant transitioned features	YES	YES	YES
37	If yes, specify non-compliant features	No Basel III loss Absorption	No Basel III loss Absorption	No Basel III loss Absorption

Table DF-13 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS				
Disclosure template for main features of regulatory capital instruments				
S. No.	**Particulars**	**Upper Tier II SERIES II**	**Upper Tier II SERIES III**	**Upper Tier II SERIES IV**
1	Issuer	PSU Bank	PSU Bank	PSU Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09173	INE565A09199	INE565A09223
3	Governing law(s) of the instrument	Chennai	Chennai	Chennai
	Regulatory treatment			
4	Transitional Basel III rules	Tier II	Tier II	Tier II
5	Post-transitional Basel III rules	Tier II	Tier II	Tier II
6	Eligible at solo/group/group @ solo	Solo	Solo	Solo
7	Instrument type	Upper Tier II capital instrument	Upper Tier II capital instrument	Upper Tier II capital instrument
8	Amount recognised in regulatory capital (Rs. In Crore, as of most recent reporting date)	32765 Lakhs	25500 Lakhs	48350 Lakhs
9	Par value of instrument	Rs.10.00 lakhs	Rs.10.00 lakhs	Rs.10.00 lakhs
10	Account classification	Liability	Liability	Liability
11	Original date of issuance	17.09.2008	01.09.2009	10.01.2011
12	Perpetual or dated	dated	dated	dated
13	Original maturity date	17.09.2023	01.09.2024	10.01.2026
14	Issuer call subject to prior supervisory approval	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount (in Rs. Crore)	17.09.2018 nil 655.30	01.09.2019 nil 510	10.01.2021 nil 967
16	Subsequent call dates, if applicable	No	No	No
	Coupons / dividends			
17	Fixed or floating divend/coupon	Fixed	Fixed	Fixed
18	Coupon rate and any related index	Coupon rate	Coupon rate	Coupon rate
19	Existence of a dividend stopper	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory

S. No.	Particulars	Upper Tier II SERIES II	Upper Tier II SERIES III	Upper Tier II SERIES IV
21	Existence of step up or other incentive to redeem	Step-up 0.50%	Step-up 0.50%	Step-up 0.50%
22	Non-cumulative or cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A	N/A	N/A
25	If convertible, fully or partially	N/A	N/A	N/A
26	If convertible, conversion rate	N/A	N/A	N/A
27	If convertible, mandatory or optional conversion	N/A	N/A	N/A
28	If convertible, specify instrument type convertible into	N/A	N/A	N/A
29	If convertible, specify issuer of instrument it converts into	N/A	N/A	N/A
30	Write-down feature	No	No	No
31	If write-down, write-down trigger(s)	N/A	N/A	N/A
32	If write-down, full or partial	N/A	N/A	N/A
33	If write-down, permanent or temporary	N/A	N/A	N/A
34	If temporary write-down, description of write-up mechanism	N/A	N/A	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors
36	Non-compliant transitioned features	Yes	Yes	Yes
37	If yes, specify non-compliant features	Step-Up in coupon rate, No Basel III loss Absorbency	Step-Up in coupon rate, No Basel III loss Absorbency	Step-Up in coupon rate, No Basel III loss Absorbency

Table DF-13 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS		
Disclosure template for main features of regulatory capital instruments		
S. No.	Particulars	**Perpetual** **Basel II Compliant** **SERIES IV**
1	Issuer	PSU Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09207
3	Governing law(s) of the instrument	Chennai
	Regulatory treatment	
4	Transitional Basel III rules	Additional Tier I
5	Post-transitional Basel III rules	Additional Tier I
6	Eligible at solo/group/group @ solo	Solo
7	Instrument type	Perpetual Debt Instrument
8	Amount recognised in regulatory capital (Rs. In Crore, as of most recent reporting date)	15000 Lakhs
9	Par value of instrument	Rs.10.00 lakhs
10	Account classification	Liability
11	Original date of issuance	29.09.2009
12	Perpetual or dated	Perpetual
13	Original maturity date	Perpetual
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount (Rs. in Crore)	29.9.2019 , nil, 300
16	Subsequent call dates, if applicable	No
	Coupons / dividends	
17	Fixed or floating divined/coupon	Fixed
18	Coupon rate and any related index	Coupon rate
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory
21	Existence of step up or other incentive to redeem	Step-up 0.50%
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A

Sr. No.	Particulars	Perpetual Basel II Compliant SERIES IV
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Superior to equity shareholders and subordinate to claims of all other creditors
36	Non-compliant transitioned features	Yes
37	If yes, specify non-compliant features	Step-Up in coupon rate, No Basel III loss Absorbency

Table DF-13 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS		
Disclosure template for main features of regulatory capital instruments		
S. No.	**Particulars**	**Perpetual Basel III Compliant SERIES I**
1	Issuer	PSU Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09231
3	Governing law(s) of the instrument	Chennai
	Regulatory treatment	
4	Transitional Basel III rules	Additional Tier I
5	Post-transitional Basel III rules	Additional Tier I
6	Eligible at solo/group/group @ solo	Solo
7	Instrument type	Perpetual Debt Instrument
8	Amount recognised in regulatory capital (Rs. In Crore as of most recent reporting date)	100000 Lakhs
9	Par value of instrument	Rs.10.00 lakhs
10	Account classification	Liability
11	Original date of issuance	04.02.2015
12	Perpetual or dated	Perpetual
13	Original maturity date	Perpetual
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount (Rs. In Crore)	4.2.2020, nil, 1000
16	Subsequent call dates, if applicable	No
	Coupons / dividends	
17	DF 14	Fixed
18	Coupon rate and any related index	Coupon rate
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	Not Available
22	Non-cumulative or cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible
24	If convertible, conversion trigger(s)	N/A

S. No.	Particulars	Perpetual Basel III Compliant SERIES I
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	Available
31	If write-down, write-down trigger(s)	Common Equity Tier1 capital ratio 5.5
32	If write-down, full or partial	partially or fully
33	If write-down, permanent or temporary	Both
34	If temporary write-down, description of write-up mechanism	Bank solely at its discretion, may write up the bonds to its original value in future, when it demonstrates that its capital position is well above the minimum capital requirements and with the prior approval of RBI
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors
36	Non-compliant transitional features	No
37	If yes, specify non-compliant features	Not applicable

Table DF-13 : MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS		
Disclosure template for main features of regulatory capital instruments		
S. No.	**Particulars**	**Perpetual Basel III Tier II SERIES I**
1	Issuer	PSU Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09256
3	Governing law(s) of the instrument	Chennai
	Regulatory treatment	
4	Transitional Basel III rules	Tier II
5	Post-transitional Basel III rules	ineligible
6	Eligible at solo/group/group @ solo	Solo

S. No.	Particulars	Perpetual Basel III Tier II SERIES I
7	Instrument type	Tier II debt instruments
8	Amount recognised in regulatory capital (Rs. In Crore as of most recent reporting date)	80000 Lakhs
9	Par value of instrument	Rs.10.00 lakhs
10	Account classification	Liability
11	Original date of issuance	03.11.2016
12	Perpetual or dated	dated
13	Original maturity date	03.11.2026
14	Issuer call subject to prior supervisory approval	Yes
15	Optional call date, contingent call dates and redemption amount (Rs. In Crore)	nil, nil, 800
16	Subsequent call dates, if applicable	Not applicable
	Coupons / dividends	Fixed
17	Fixed or floating divend/coupon	Coupon rate
18	Coupon rate and any related index	No
19	Existence of a dividend stopper	Mandatory
20	Fully discretionary, partially discretionary or mandatory	Not available
21	Existence of step up or other incentive to redeem	Non-cumulative
22	Non-cumulative or cumulative	Non-convertible
23	Convertible or non-convertible	N/A
24	If convertible, conversion trigger(s)	Fixed
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	yes
31	If write-down, write-down trigger(s)	Upon declaration under PONV by RBI
32	If write-down, full or partial	partial/full
33	If write-down, permanent or temporary	permanent
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors
36	Non-compliant transitional features	No
37	If yes, specify non-compliant features	NA

Table DF-14 : <u>TERMS AND CONDITIONS OF REGULATORY CAPITAL INSTRUMENTS</u>				
Disclosure template for main features of regulatory capital instruments				
S. No.	**Particulars**	**Lower Tier II SERIES XII**	**Lower Tier II SERIES XIII**	**Lower Tier II SERIES XIV**
1	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09165	INE565A09181	INE565A09215
2	Instrument type	Tier II debt instruments	Tier II debt instruments	Tier II debt instruments
3	Par value of instrument	Rs.10.00 lakhs	Rs.10.00 lakhs	Rs.10.00 lakhs
4	Issuer call subject to prior supervisory approval	Not applicable	Not applicable	Not applicable
5	Optional call date, contingent call dates and redemption amount (Rs. in Crore)	nil, nil, 300	nil, nil, 290	nil, nil, 1000
6	Subsequent call dates, if applicable	Not applicable	Not applicable	Not applicable
7	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
8	Coupon rate and any related index	Coupon rate	Coupon rate	Coupon rate
9	Existence of a dividend stopper	No	No	No
10	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory
11	Existence of step up or other incentive to redeem	Not available	Not Available	Not available
12	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
13	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
14	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors
15	Non-compliant transitioned features	YES	YES	YES
16	If yes, specify non-compliant features	No Basel III loss Absorption	No Basel III loss Absorption	No Basel III loss Absorption

Table DF-14 : TERMS AND CONDITIONS OF REGULATORY CAPITAL INSTRUMENTS				
Disclosure template for main features of regulatory capital instruments				
S. No.	**Particulars**	**Upper Tier II SERIES II**	**Upper Tier II SERIES III**	**Upper Tier II SERIES IV**
1	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09173	INE565A09199	INE565A09223
2	Instrument type	Upper Tier II capital instrument	Upper Tier II capital instrument	Upper Tier II capital instrument
3	Par value of instrument	Rs.10.00 lakhs	Rs.10.00 lakhs	Rs.10.00 lakhs
4	Issuer call subject to prior supervisory approval	Yes	Yes	Yes
5	Optional call date, contingent call dates and redemption amount (in Rs. Crore)	17.09.2018 nil 655.30	01.09.2019 nil 510	10.01.2021 nil 967
6	Subsequent call dates, if applicable	No	No	No
7	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed
8	Coupon rate and any related index	Coupon rate	Coupon rate	Coupon rate
9	Existence of a dividend stopper	No	No	No
10	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory
11	Existence of step up or other incentive to redeem	Step-up	Step-up	Step-up
12	Non-cumulative or cumulative	Non-Cumulative	Non-Cumulative	Non-Cumulative
13	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
14	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors	Subordinate to claims of all other creditors and depositors
15	Non-compliant transitioned features	yes	yes	yes
16	If yes, specify non-compliant features	Step-Up in coupon rate, No basel III loss absorbency	Step-Up in coupon rate, No basel III loss absorbency	Step-Up in coupon rate, No basel III loss absorbency

Table DF-14 : TERMS AND CONDITIONS OF REGULATORY CAPITAL INSTRUMENTS		
Disclosure template for main features of regulatory capital instruments		
S. No.	**Particulars**	**Perpetual**
		Basel II Compliant
		SERIES IV
1	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09207
2	Instrument type	Perpetual Debt Instrument
3	Par value of instrument	Rs.10.00 lakhs
4	Perpetual or dated	Perpetual
5	Original maturity date	Perpetual
6	Issuer call subject to prior supervisory approval	Yes
7	Optional call date, contingent call dates and redemption amount (Rs. in Crore)	nil, nil, 300
8	Fixed or floating dividend/coupon	Fixed
9	Existence of a dividend stopper	No
10	Fully discretionary, partially discretionary or mandatory	Mandatory
11	Existence of step up or other incentive to redeem	Step-up
12	Non-cumulative or cumulative	Non-cumulative
13	Convertible or non-convertible	Non-convertible
14	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Superior to equity shareholders and subordinate to claims of all other creditors
15	Non-compliant transitioned features	Yes
16	If yes, specify non-compliant features	Step-Up in coupon rate, No basel III loss absorbency

Table DF-14 : TERMS AND CONDITIONS OF REGULATORY CAPITAL INSTRUMENTS		
Disclosure template for main features of regulatory capital instruments		
S. No.	**Particulars**	**Perpetual**
		Basel III Compliant
		SERIES I
1	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09231
2	Instrument type	Perpetual Debt Instrument
3	Par value of instrument	Rs.10.00 lakhs
4	Perpetual or dated	Perpetual
5	Original maturity date	Perpetual
6	Issuer call subject to prior supervisory approval	Yes
7	Optional call date, contingent call dates and redemption amount (Rs. in Crore)	nil, nil, 1000
8	Fixed or floating dividend/coupon	Fixed
9	Existence of a dividend stopper	No
10	Fully discretionary, partially discretionary or mandatory	Full Discretionary
11	Existence of step up or other incentive to redeem	Not available
12	Non-cumulative or cumulative	Non-cumulative
13	Convertible or non-convertible	Non-convertible
14	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors
15	Non-compliant transitioned features	No
16	If yes, specify non-compliant features	Not applicable

Table DF-14 : TERMS AND CONDITIONS OF REGULATORY CAPITAL INSTRUMENTS		
Disclosure template for main features of regulatory capital instruments		
Sr. No.	**Particulars**	**Perpetual**
		Basel III Compliant Tier II
		SERIES I
1	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement	INE565A09256
2	Instrument type	Debt Instrument
3	Par value of instrument	Rs.10.00 lakhs
4	Perpetual or dated	Dated
5	Original maturity date	03.11.2026
6	Issuer call subject to prior supervisory approval	Yes
7	Optional call date, contingent call dates and redemption amount (Rs. in Crore)	nil, nil, 800
8	Fixed or floating dividend/coupon	Fixed
9	Existence of a dividend stopper	No
10	Fully discretionary, partially discretionary or mandatory	Full Discretionary
11	Existence of step up or other incentive to redeem	Not available
12	Non-cumulative or cumulative	Non-cumulative
13	Convertible or non-convertible	Non-convertible
14	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to claims of all other creditors and depositors
15	Non-compliant transitioned features	No
16	If yes, specify non-compliant features	Not applicable

Table DF-16

EQUITIES – DISCLOSURE FOR BANKING BOOK POSITIONS

Qualitative Disclosure

1	As per regulatory guidelines, the Equity portfolio of Bank is valued as under: For Equity Shares held in Available For Sale and Held For Trading category ➢ Listed Equity Shares are valued at latest Market Rates i.e. Marked to Market. ➢ Unlisted Equity Shares are valued at Book value ascertained from the latest available balance-sheets. If the balance-sheet is not available, then the same are valued at Re.1/- per company. For Equity Shares held in Held till Maturity category ➢ Equity shares held in Held till Maturity category are valued at cost.

Quantitative disclosure:

(Rs. in crore)

Sr. No.	Particulars	Amount
1	Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value	723.31*
2	The types and nature of investments, including the amount that can be classified as: • Publicly traded • Privately held	1314.25 764.10
3	The cumulative realised gains (losses) arising from sales and liquidations in the reporting period (01.04.2017 to 30.09.2017)	3.25
4	Total unrealised gains (losses)	0.00
5	Total latent revaluation gains (losses)	0.00
6	Any amounts of the above included in Tier 1 and/or Tier 2 capital	0.00
7	Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements	0.00

* Indicates the latest market value of all the quoted equity shares.

Table DF 17

SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO EXPOSURE MEASURE

(Rs. in crore)

Sr. No.	Item	Amount
1	Total consolidated assets as per published financial statements	243280
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	289
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0
4	Adjustments for derivative financial instruments	1006
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	20567
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	13916
7	Other adjustments	27043
8	**Leverage ratio exposure**	251437

Table DF-18

LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE

(Rs. in crore)

Sr. No.	Item	Leverage ratio framework
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	243280
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	27332
3	**Total on-balance sheet exposures** (excluding derivatives and SFTs) (sum of lines 1 and 2)	**215948**
	Derivative exposures	
4	Replacement cost associated with all *derivatives* transactions (i.e. net of eligible cash variation margin)	190
5	Add-on amounts for PFE associated with *all* derivatives transactions	816
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	--
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	--
8	(Exempted CCP leg of client-cleared trade exposures)	--
9	Adjusted effective notional amount of written credit derivatives	--
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	--
11	**Total derivative exposures (sum of lines 4 to 10)**	**1006**
	Securities financing transaction exposures	
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	--
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	--
14	CCR exposure for SFT assets	20567
15	Agent transaction exposures	--
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**20567**
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	26020
18	(Adjustments for conversion to credit equivalent amounts)	12104
19	**Off-balance sheet items (sum of lines 17 and 18)**	**13916**
	Capital and total exposures	
20	**Tier 1 capital**	**11610**
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	**251437**
	Leverage ratio	
22	**Basel III leverage ratio**	**4.62%**