

Annexure 5: Basel III Pillar 3 Disclosures

1. Scope of Application

The Catholic Syrian Bank Ltd is a commercial bank formed on 26th November 1920 with Registered Office at Thrissur. In August 1969, the Bank was included in the Second Schedule to the Reserve Bank of India Act 1934. The bank has no subsidiaries.

2. Capital Structure

Qualitative Disclosures:

Bank's capital structure consists of Tier 1 and Tier 2 capital. The major components of Tier 1 capital are equity share capital, equity share premium, statutory reserves, general reserves, special reserve (Section 36(i)(viii) of Income Tax Act) and capital reserves (other than revaluation reserves). Tier 2 capital consists of subordinated debt (Lower Tier 2), revaluation reserves and provision for standard assets. Bank has not issued any Upper Tier 2 bonds or perpetual debt or other innovative instruments.

Quantitative Disclosures:

The breakup of capital funds is as follows:

	(Rs in million)	
	As on 30.06.2018	As on 31.03.2018
Tier 1 Capital		
Paid up Share capital	810.14	810.14
Share Premium	6475.08	6475.08
Statutory Reserves	1467.56	1467.56
Capital Reserves	717.31	717.31
Special Reserve (36 (i) (viii))	237.62	237.62
Other eligible reserves	826.01	753.34
Revaluation Reserves after discounting	717.60	717.60
Total Tier 1 Capital (Gross)	11251.32	11178.65
Add: Credit balance in Profit and Loss account	(3320.82)	(3165.39)
Less Deferred Tax Assets and Other Intangible Assets	1002.86	973.90
Less un amortized portion of fraud	0.00	0.00
Total Tier 1 Capital (Net) [A]	6,927.64	7039.36
Tier 2 Capital		
Subordinated debt (eligible for inclusion in Lower Tier 2 capital) (Of which amount raised during the current year)	0.00	0.00
Less Discount		
Subordinated debt eligible to be reckoned as capital funds	0.00	0.00
Revaluation Reserves after discounting		
Provision for Standard Assets	330.28	343.21
Investment Reserve		
Less reciprocal cross holding	0.00	0.00
Total Tier 2 Capital (Net) [B]	330.28	343.21
Total Eligible capital [A] + [B]	7257.92	7382.57

3. Capital Adequacy

Qualitative Disclosures:

In accordance with the guidelines of RBI, the bank has adopted standardized approach for credit risk, basic indicator approach for operational risk and standardized duration approach for market risk for computing capital adequacy. Basel III Capital regulations are applicable to Banks in India from 1st April, 2013 and will be fully phased in by 31st March, 2019. Detailed guidelines on Basel III Capital Regulations and Guidelines on Composition of Capital Disclosure Requirements are issued by RBI and consolidated under the Master Circular – Basel III Capital Regulations July 2015.

The transitional arrangements for minimum Basel III capital ratios are given below.

**Transitional Arrangements-Scheduled Commercial Banks
(excluding LABs and RRBs)**

Minimum capital ratios	(% of RWAs)							
	April 1, 2013	March 31, 2014	March 31, 2015	March 31, 2016	March 31, 2017	March 31, 2018	March 31, 2019	
Minimum Common Equity Tier 1 (CET1)	4.5	5	5.5	5.5	5.5	5.5	5.5	
Capital conservation buffer (CCB)	-	-	-	0.625	1.25	1.875	2.5	
Minimum CET1+ CCB	4.5	5	5.5	6.125	6.75	7.375	8	
Minimum Tier 1 capital	6	6.5	7	7	7	7	7	
Minimum Total Capital*	9	9	9	9	9	9	9	
Minimum Total Capital +CCB	9	9	9	9.625	10.25	10.875	11.5	
Phase-in of all deductions from CET1 (in %) #	20	40	60	80	100	100	100	

* The difference between the minimum total capital requirement of 9% and the Tier 1 requirement can be met with Tier 2 and higher forms of capital;

The same transition approach will apply to deductions from Additional Tier 1 and Tier 2 capital.

Regulatory Capital Adequacy position (as per Basel II & Basel III norms as made applicable by RBI) is assessed periodically. Besides, the bank also assessed its own internal estimate of risk capital based on its Board approved ICAAP policy and Stress Testing Policy to cover the Pillar 2 risks. Risks are assumed in line with the Bank's risk bearing capacity and capability in order to generate yields, taking risk-return frontier into account. This aims to ensure that risks that could jeopardize the Bank's existence are avoided.

Quantitative Disclosures:**a) Capital Requirement for Credit Risk – Standardized Approach**

(Rs in Million)

Portfolios	Gross Exposure (Rs Mio)	Gross Exposure (Rs Mio)	Capital Requirement (Rs Mio)	Capital Requirement (Rs Mio)
	30.06.2018	31.03.2018	30.06.2018	31.03.2018
On Balance Sheet				
Cash & Balance with RBI	6617.42	6778.95	0.00	0.00
Inter Bank Deposits	1459.10	4972.59	28.18	15.74
Market Repo(CROMS)	0.00	0.00	0.00	0.00
Investments (HTM)	29145.56	30113.48	39.03	16.91
Advances	89720.81	93373.56	4,192.34	4393.74
Fixed Assets & Other Assets	12522.23	12036.10	606.73	590.87
Total	139465.13	147274.69	4,866.29	5017.25
Off Balance Sheet				
Letter of Credit & Guarantees	2534.46	2575.82	71.63	87.44
Undrawn Credit Commitments	10012.53	10372.90	179.19	184.29
Forward Exchange Contracts	3809.83	3430.27	4.59	2.85
Total	16356.81	16378.99		274.58
Total On & Off Balance Sheet	155821.94	163653.68	5,121.69	5291.84

b) Capital Requirement for Market Risk – Standardized Duration Approach

(Rs in Million)

Type of Market Risk	Gross Exposure	Gross Exposure	Capital Requirement	Capital Requirement
	30.06.2018	31.03.2018	30.06.2018	31.03.2018
Interest Rate Risk	19274.64	11585.30	509.53	585.88
Foreign Exchange Risk	120.00	120.00	10.80	10.80
Equity Risk	30.51	32.00	6.86	7.20
Total	19425.14	11737.30	527.20	603.88

c) Capital Requirement for Operational Risk – Basic Indicator Approach

(Rs in Million)

	As on 30.06.2018
Capital Requirement	649.56
Equivalent Risk Weighted Assets	8119.45

d) Total Capital Requirement

(Rs in Million)

Type of Risk	Capital Requirement	Capital Requirement	Risk Weighted Assets	Risk Weighted Assets
	30.06.2018	31.03.2018	30.06.2018	31.03.2018
Credit Risk	5121.60	5291.84	56,906.71	58798.19
Market Risk	527.20	603.88	6589.95	7548.54
Operational Risk	649.56	649.56	8,119.45	8119.45
Total	6299.11	6545.28	71616.11	74466.18
Total Net Tier 1 Capital			6,927.64	7039.36
Tier 1 Capital Ratio			9.67%	9.45%
Tier 2 Capital Ratio			0.46%	0.46%
Total CRAR			10.13%	9.91%

4. Credit Risk: General Disclosure**Qualitative Disclosures****a) Definition of past due and impaired loans**

Bank strictly adheres to RBI norms regarding definitions of past due and impaired loans, as under (in brief):

- i) interest and or installment of principal remain overdue for a period of more than 90 days in respect of term loan accounts
- ii) the account remains 'out of order' (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 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) in respect of Overdraft/Cash credit accounts. If the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter, the account is classified as NPA.
- iii) the bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted
- iv) the instalment of principal or interest thereon remains overdue for two crop seasons for short duration crops.
- v) the instalment of principal or interest thereon remains overdue for one crop season for long duration crops.

b) Credit Risk Management Policy

The bank has in place a Credit Risk Management Policy which is reviewed periodically to bring in refinements triggered by evolving concepts and actual experience.

The Executive level committee – Credit Risk Management Committee (CRMC) which reports to Risk Management Committee (RMC) of the Board, is responsible for the management and mitigation of credit risk in the bank. Credit Risk Management Department and Credit Monitoring Department at Head Office level act as the secretariat of CRMC.

Credit approvals are subject to a well-established and time tested system of competencies, which act as a framework within which decision making individuals or committees are authorized to enter into lending transactions. Responsibility for the approval of loans is dependent on size, security and type of the loan.

Credit rating system is in force using various CRA formats, developed by the Bank to measure the risk involved in each borrower account. All borrowers with an aggregate credit limit of ₹ 25 lakh and above are subjected to borrower rating. Gold loans, Loans against Deposit Receipts, Housing Loans, Loans against NSC & Insurance policies and staff loans are subjected to portfolio rating. Limits above ₹ 2 crore are subject to Facility Rating in addition to borrower rating.

Operations in all credit exposures of ₹ 50 lakh and above are monitored on a monthly basis by Credit Monitoring department to detect delinquency signals at an early date and nurse the account.

Rating migration studies are conducted at regular intervals.

Pricing of corporate exposures is subjected to RAROC analysis based on bank's Board approved Risk Adjusted Return On Capital (RAROC) policy.

Both regulatory capital and economic capital requirements are assessed at the time of credit appraisal of corporate exposures.

Quantitative Disclosures

a) Gross Credit Risk Exposure – Banking Book

(Rs in Million)

	Loans	Loans	Investments	Investments
	30.06.2018	31.03.2018	30.06.2018	31.03.2018
Fund Based	89720.81	93373.56	29145.56	30113.48
Non Fund Based	2534.46	2575.82	-	0.00
Total	92255.27	95949.39	29145.56	30113.48

b) Industry type distribution – Banking Book

(Rs in Million)

	Advances, Letter of Credit & Guarantees		Investments	
	30.06.2018	31.03.2018	30.06.2018	31.03.2018
Central Government			21407.77	22368.72
State Governments			7437.91	7444.81
Public Sector	320.42	336.14	299.88	299.95
Manufacturing Industries				
a) Cotton Textiles	3,826.15	5050.89		
b) Other Textiles	10377.74	1593.33		
c) Chemicals	2442.86	1405.3		
d) All Engineering	3080.16	940.41		
e) Food Processing	313.91	196.22		
f) Other Industries	4571.88	1799.15		
Agriculture	16836.84	16069.88		
Residential Mortgage	3006.02	3054.04		
Commercial Real Estate	3462.61	3357.7		
Consumer Credit	16894.39	16583.96		
Students	865.67	919.75		
Wholesale & Retail Trade	8259.92	12577.26		
Banks	-	-		
RIDF, RHF, MSME Fund	-	-		
NBFCs	5188	5323.87		
Own Staff	1600.01	1663.79		
All Others	11208.7	25077.9		
	92255.27	95949.39	29145.56	30113.48

c) Residual Contractual Maturity breakdown of Assets

(Rs in Million)

	Cash & balance with Rbi	Balance with Banks and money at call and short notice	Advances	Investments	Fixed assets and other assets
Next Day	615.77	341.35	295.22	1223.68	0.09
2-7 days	0.00	0.00	858.89	1150.00	373.97
8-14 days	0.00	0.00	1368.80	1400.00	13.61
15-30 days	0.00	263.14	2147.59	1993.81	234.67
31days-<2M	0.00	42.99	3813.16	1065.87	388.61
2M<3M	0.00	63.71	4910.56	2176.88	948.86
3M-<6M	0.00	250.41	9840.86	3428.85	1527.81
6M-<1Y	0.00	183.08	17263.70	2041.44	88.34
1-<3Y	0.00	1703.86	33206.18	2509.00	1074.68
3-<5 Y	0.00	203.38	9839.83	1451.37	2292.88
> 5 Yr	0.00	3258.83	6176.03	30952.50	7937.74
Total	615.77	6310.75	89720.81	49393.40	14881.26

c) Disclosures regarding Non Performing Assets

(Rs in Million)

	As on 30.06.2018	As on 31.03.2018
Amount of NPAs (Gross)		
Substandard	1996.62	2156.77
Doubtful 1	2118.33	2116.31
Doubtful 2	2714.27	2590.45
Doubtful 3	784.54	705.76
Loss	71.68	72.05
Total Gross NPAs	7685.44	7641.33
Net NPAs	4030.63	4162.87
NPA Ratios		
Gross NPAs to Gross Advances	8.23%	7.89%
Net NPAs to Net Advances	4.49%	4.46%
Movement of provisions for NPAs		
Opening balance	3446.41	1486.97
Provisions made during the period	204.85	2174.70
Write-off	0	0.00
Write back of excess provisions	28.17	215.26

Closing balance	3623.09	3446.41
Write-offs that have been booked directly to the income statement	33.53	50.30
Recoveries that have been booked directly to the income statement	78.11	479.66

Major Industry breakup of NPA

Industry	30.06.2018		31.03.2018	
	Gross NPA	Specific Provision	Gross NPA	Specific Provision
NPA in top 5 Industries	2243.24	1319.52	2214.15	1219.05

Geography	30.06.2018		31.03.2018	
	Gross NPA	Specific Provision	Gross NPA	Specific Provision
Domestic	7685.44	3623.09	7641.33	3446.41
Overseas	0	0	0	0

5. Credit Risk: Disclosures for portfolios subject to standardized approach
Qualitative Disclosures

In accordance with RBI guidelines, the bank has adopted standardized approach for computation of capital for credit risk.

Bank Loan Ratings of CRISIL, CARE, ICRA and India Ratings are considered for arriving at the capital requirement.

Bank extends external rating of other issues of the borrower to unrated claims only when the issue specific rating maps to Risk Weight higher than that of the unrated exposure.

Quantitative Disclosures

Risk weight wise classification of exposures

(Rs in Million)

	Gross Credit Exposure	Gross Credit Exposure	Capital Deductions	Capital Deductions	Exposure after Capital Deductions	Exposure after Capital Deductions
	(A)	(A)	(B)	(B)	(C) = (A) – (B)	(C) = (A) – (B)
	30.06.2018	31.03.2018	30.06.2018	31.03.2018	30.06.2018	31.03.2018
Advances, Letter of Credit & Guarantees						
Below 100% risk weight	52,673.04	55653.43	0.00	0.00	52,673.04	55653.43
100% risk weight	19,184.64	25461.88	0.00	0.00	19,184.64	25461.88
More than 100% risk weight	20,397.59	20157.95	0.00	0.00	20,397.59	20157.95
Total	92,255.27	101273.26	0.00	0.00	92,255.27	101273.26
Investments						
Below 100% risk weight	29,145.56	30113.48		0.00	29,145.56	30113.48
100% risk weight		0.00		0.00	-	0.00
More than 100% risk weight	-	0.00		0.00	-	0.00
Total	29,145.56	30113.48		0.00	29,145.56	30113.48

6. Credit Risk Mitigation: Disclosures for standardized approaches

Qualitative Disclosures

A Credit Risk Mitigation and Collateral Management Policy, addressing the Bank's approach towards the credit risk mitigants used for capital calculation is in place.

Following items are considered for on and off balance sheet netting:

- Deposits with specific lien to the facility
- Subsidies received (for priority sector advances)
- Claims received (for NPA accounts)

Of the eligible financial collaterals, the types of collateral taken by the bank are gold ornaments and bank's own deposit receipts. Gold ornaments are accepted as collateral by branches after due scrutiny and are marked to market value on a daily basis. Bank has made an assessment of market liquidity risk involved in liquidating gold ornaments and is considering a holding period of 21 days for advance against pledge of gold ornaments. In

Pillar 1 capital adequacy computations, bank considers a haircut of 22% (after scaling up the standard supervisory haircut of 15% to a 21 day holding period). In addition to this, bank is maintaining extra capital for its gold loan portfolio in Pillar 2 capital computations.

The types of guarantees recognized for credit risk mitigation are guarantee by central government, state government, ECGC and banks (in the form of bills purchased/discounted under Letter of credit).

Collaterals other than financial collaterals that secure the credit portfolio of the bank are land & building, plant & machinery and current assets of the counter party. Land and Building includes commercial building, residential property and vacant land.

Quantitative Disclosures

a) Exposures Covered by Eligible Financial Collateral (After Haircuts)

(Rs in Million)

	30.06.2018	31.03.2018
Corporate	308.70	248.54
Regulatory Retail	15,655.99	12392.48
Personal Loans	11,504.61	9475.71
Total	27,469.30	22116.72

b) Exposures Covered by Guarantee

(Rs in Million)

Covered by Guarantee	30.06.2018	31.03.2018
Corporate	865.83	858.69
Regulatory Retail	4,918.39	5041.24
Total	5,784.22	5899.93

7. Securitization

No exposure of the bank has been securitized.

8. Market Risk in the Trading Book

Qualitative Exposures

Bank has put in place Board approved Market Risk Management Policy, Investment Policy and Foreign Exchange Policy for effective management of market risk of the bank.

Bank's Integrated Treasury manages the trading book. Proprietary trading is done in government securities, equity shares and foreign exchange. Adherence to limits is reported on a monthly basis to the Executive level Asset Liability Committee (ALCO) and Risk Management Committee (RMC) of the Board.

Modified Duration and Value at Risk (weighted historic simulation approach) are the tools used to track market risk in the trading book for interest rate related instruments. For equity exposures bank uses Value at Risk and Portfolio Beta.

Stress tests are conducted on a daily basis on securities in the trading book.

Portfolios covered by standardized approach are government securities, other trustee securities, Non SLR bonds & debentures, Certificate of Deposits and Equity Shares.

Quantitative Disclosures

Capital Requirement for Market Risk

Type of Market Risk	(Rs in Million)			
	Gross Exposure (Rs mio)	Gross Exposure (Rs mio)	Capital Requirement (Rs mio)	Capital Requirement (Rs mio)
	30.06.2018	31.03.2018	30.06.2018	31.03.2018
Interest Rate Risk	19274.64	11585.30	509.53	585.88
Foreign Exchange Risk	120.00	120.00	10.80	10.80
Equity Risk	30.51	32.00	6.86	7.20
Total	19425.14	11737.30	527.20	603.88

9. Operational Risk

Qualitative Disclosures

The Executive level committee - Operational Risk Management Committee (ORMC) which reports to Risk Management Committee (RMC) of the Board, is responsible for the management and mitigation of operational risk in the bank. The bank has framed Operational Risk Management Policy duly approved by the Board. Other policies approved by the board that deal with the different facets of operational risk are Inspection Policy, Human Resource Management Policy, IT Policy, Compliance Policy, Business Continuity & Disaster Recovery Plan and Outsourcing policy.

Bank has obtained Bankers' Indemnity Policy to cover the risk of cash in transit and cash and securities including gold ornaments kept at branches. Risk Based Internal Audit (RBIA) is operational at all the branches.

Bank is adopting Basic Indicator Approach for arriving at capital charge for operational risk in compliance with RBI guidelines and is in the process of building database for moving to Advanced Approaches.

10. Interest Rate Risk in the Banking Book

Qualitative Disclosures

The Executive Level Committee - Asset Liability Committee (ALCO) has the overall responsibility of managing the interest rate risk in the banking book of the bank. ALCO fixes the deposit and lending rates of the bank and directs the investment activities of the bank in

line with its interest rate view. Limits are fixed from both Earnings and Economic Value Perspective in board approved Market Risk Management Policy and adherence monitored on a monthly basis. Interest Rate Risk from Earnings Perspective is measured through Earnings at Risk (EaR) approach (which computes the impact on NII of various interest rate changes) on a monthly basis. Interest Rate Risk from Economic Value Perspective is measured using Modified Duration Gap Approach on a monthly basis.

The Risk Management Committee of the Board oversees the ALM process of the bank and reviews the decisions taken by the ALCO.

Key Assumptions for IRRB calculations

- a) Bulk of the advance portfolio to re-price within 12 months.
- b) Maturity of deposits considered after adjusting empirically observed premature closure rates.
- c) Core portion of Savings Bank Deposits slotted in 7 to 10 year time bucket.
- d) Core portion of Current Deposits slotted in Above 15 years-time bucket for Modified Duration Gap Analysis (For Earnings at Risk Analysis, Current Deposits are treated as interest non sensitive).

Quantitative Disclosures

Interest Rate Risk – Earnings Perspective

(Rs in Million)

1 Year Change in Market Rates (Parallel Shift)	Impact as on 30.06.2018	Impact as on 31.03.2018
+200 basis points	-437.08	-369.88
-200 basis points	+437.08	+369.88

Interest Rate Risk – Economic Value Perspective

(Rs in Million)

1 Year Change in Market Rates (Parallel Shift)	Impact as on 30.06.2018	Impact as on 31.03.2018
+200 basis points	+864.94	+516.01
-200 basis points	-864.94	-516.01

11. Counterparty Credit Risk

Counterparty Credit Risk (CCR) is the risk that the counterparty to a transaction could default before final settlement of the transaction's cash flows. An economic loss would occur if the transaction or portfolio of transactions with the counterparty has a positive economic value for the Bank at the time of default. Unlike exposure to credit risk through a

loan, where the exposure to credit risk is unilateral and only the lending bank faces the risk of loss, CCR creates a bilateral risk of loss whereby the market value for many different types of transactions can be positive or negative to either counterparty. The market value is uncertain and can vary over time with the movement in underlying market factors.

Capital is maintained on the exposure to CCR as per regulatory guidelines on Capital adequacy computation. The exposure is calculated using Current Exposure Method.

The MTM on client exposures are monitored periodically. The Bank does not recognize bilateral netting for capital computation.

(Rs in Million)

	Notional Amount 30.06.2018	Credit Equivalent 30.06.2018	Notional Amount 31.03.2018	Credit Equivalent 31.03.2018
Forward Exchange Contracts	3809.41	106.26	3430.43	92.14

Leverage Ratio frame work

Definition and minimum requirement

The Basel III leverage ratio is defined as the capital measure (the numerator) divided by the exposure measure (the denominator), with this ratio expressed as a percentage

$\text{Leverage Ratio} = \text{Capital Measure} / \text{Exposure Measure}$

The public disclosure requirements of leverage ratio will begin from January 1, 2015 and the Basel Committee will monitor the impact of these disclosure requirements. Accordingly, banks operating in India are required to make disclosure of the leverage ratio and its components from April 1, 2015 on a quarterly basis and according to the disclosure templates as indicated in paragraph 16.7 along with Pillar 3 disclosures.

Table 1- Summary comparison of accounting assets Vs. leverage ratio exposure method

	Item	(Rs. in Million)
1	Total consolidated assets as per published financial statements	158562.96
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	
4	Adjustments for derivative financial instruments	
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	4057.97
7	Other adjustments	
8	Leverage ratio exposure	162620.94

Table 2 – Leverage ratio common disclosure template

	Item	Leverage ratio framework
On-balance sheet exposures		
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	158562.96
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	
3	Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	158562.96
Derivative exposures		
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	30.06
5	Add-on amounts for PFE associated with all derivatives transactions	76.20
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)	106.26
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	
15	Agent transaction exposures	
16	Total securities financing transaction exposures (sum of lines 12 to 15)	
Other off-balance sheet exposures		
17	Off-balance sheet exposure at gross notional amount	3951.71
18	(Adjustments for conversion to credit equivalent amounts)	
19	Off-balance sheet items (sum of lines 17 and 18)	4057.97
Capital and total exposures		
20	Tier 1 capital	6927.64
21	Total exposures (sum of lines 3, 11, 16 and 19)	162620.94
Leverage ratio		
22	Basel III leverage ratio	4.26%

Disclosure templates

The summary comparison table, common disclosure template and explanatory table, qualitative reconciliation and other requirements are as follows:

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	Ref No
Common Equity Tier 1 Capital: Instruments and reserves			
Directly issued qualifying common share capital plus related stock surplus (share premium)	7285.23		a1+a2
Retained earnings	-72.33		b1+b2+b3+b4+b6+b7 a
Accumulated other comprehensive income (and other reserves)	717.60		c1
Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)			
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)			
Common Equity Tier 1 capital before regulatory adjustments	7930.50		
Common Equity Tier 1 Capital: regulatory adjustments			
Prudential valuation adjustments			
Goodwill (net of related tax liability)			
Intangibles	121.28		e1-e2
Deferred tax assets	881.57		e2
Cash-flow hedge reserve			

Shortfall of provisions to expected losses			
Securitisation gain on sale			
Gains and losses due to changes in own credit risk on fair valued liabilities			
Defined-benefit pension fund net assets	0.00		
Investments in own shares (if not already netted off paid-in capital on reported balance sheet)			
Reciprocal cross-holdings in common equity			
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)			
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)			
Mortgage servicing rights ⁴ (amount above 10% threshold)			
Deferred tax assets arising from temporary differences ⁵ (amount above 10% threshold, net of related tax liability)			
Amount exceeding the 15% threshold			
of which: significant investments in the common stock of financial entities			
of which: mortgage servicing rights			
of which: deferred tax assets arising from temporary differences			
National specific regulatory adjustments ⁷ (26a+26b+26c+26d)			
of which: Investments in the equity capital of the unconsolidated insurance subsidiaries			
of which: Investments in the equity capital of unconsolidated non-financial subsidiaries			
of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank			
of which: Unamortised pension funds expenditures			
Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment			
of which: [INSERT TYPE OF ADJUSTMENT]			
Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions			
Total regulatory adjustments to Common equity Tier 1	1002.86		
Common Equity Tier 1 capital (CET1)	6927.64		
Additional Tier 1 capital: Instruments			

Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)			
of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)			
of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)			
Directly issued capital instruments subject to phase out from Additional Tier 1			
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)			
of which: instruments issued by subsidiaries subject to phase out			
Additional Tier 1 capital before regulatory adjustments	0		
Additional Tier 1 capital:Regulatory Adjustments			
Investments in own Additional Tier 1 instruments	0		
Reciprocal cross-holdings in Additional Tier 1 instruments			
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)			
Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)			
National specific regulatory adjustments (41a+41b)			
Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries			
Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank			
Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment			
Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions			
Total regulatory adjustments to Additional Tier 1 capital			

Additional Tier 1 capital (AT1)			
Additional Tier 1 capital reckoned for capital adequacy			
Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)	6927.64		
Tier 2 capital: Instruments & Provisions			
Directly issued qualifying Tier 2 instruments plus related stock surplus			
Directly issued capital instruments subject to phase out from Tier 2	0.00		d
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)			
of which: instruments issued by subsidiaries subject to phase out			
Provisions	330.28		c1+c3+c4
Tier 2 capital before regulatory adjustments	330.28		
Tier 2 capital:Regulatory Adjustments			
Investments in own Tier 2 instruments			
Reciprocal cross-holdings in Tier 2 instruments	0.00		
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)			
Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)			
National specific regulatory adjustments (56a+56b)			
of which: Investments in the Tier 2 capital of unconsolidated subsidiaries			
of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank			
Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment			
of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]			
of which: [INSERT TYPE OF ADJUSTMENT			
Total regulatory adjustments to Tier 2 capital	0.00		
Tier 2 capital (T2)	330.28		
Tier 2 capital reckoned for capital adequacy	330.28		
Excess Additional Tier 1 capital reckoned as Tier 2 capital	0		
Total Tier 2 capital admissible for capital adequacy (58a + 58b)	330.28		
Total capital (TC = T1 + T2) (45 + 58c)	7257.92		

Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment			
of which: [INSERT TYPE OF ADJUSTMENT]			
of which: ...			
Total risk weighted assets (60a + 60b + 60c)	71616.11		
of which: total credit risk weighted assets	56906.71		
of which: total market risk weighted assets	6589.95		
of which: total operational risk weighted assets	8119.45		
Capital ratios			
Common Equity Tier 1 (as a percentage of risk weighted assets)	9.67%		
Tier 1 (as a percentage of risk weighted assets)	9.67%		
Total capital (as a percentage of risk weighted assets)	10.13%		
Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	6.75%		
of which: capital conservation buffer requirement	1.25%		
of which: bank specific countercyclical buffer requirement	0		
of which: G-SIB buffer requirement	0		
Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	3.38%		
Capital ratios			
National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.50%		
National Tier 1 minimum ratio (if different from Basel III minimum)	7.00%		
National total capital minimum ratio (if different from Basel III minimum)	9.00%		
Amounts below the thresholds for deduction (before risk weighting)			
Non-significant investments in the capital of other financial entities			
Significant investments in the common stock of financial entities			
Mortgage servicing rights (net of related tax liability)			
Deferred tax assets arising from temporary differences (net of related tax liability)			
Applicable caps on the inclusion of provisions in Tier 2			
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	0.00		c3+c4
Cap on inclusion of provisions in Tier 2 under standardised approach	895.20		
Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)			

Cap for inclusion of provisions in Tier 2 under internal ratings-based approach			
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)			
Current cap on CET1 instruments subject to phase out arrangements			
Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
Current cap on AT1 instruments subject to phase out arrangements			
Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			
Current cap on T2 instruments subject to phase out arrangements	512.46		
Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	0		

Particular	(Rs. in million)
Deferred tax assets associated with accumulated losses	0
Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	881.57
Total as indicated in row 10	881.57
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	NA
of which: Increase in Common Equity Tier 1 capital	
of which: Increase in Additional Tier 1 capital	
of which: Increase in Tier 2 capital	
If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	NA
(i) Increase in Common Equity Tier 1 capital	
(ii) Increase in risk weighted assets	
Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	NA
of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	

Eligible Provisions included in Tier 2 capital	330.28
Eligible Revaluation Reserves included in Tier 2 capital	
Total of row 50	330.28
Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	0.00

Composition of Capital: Reconciliation Requirements Step 1

Rs in million

		Balance sheet as in financial statements	Balance Sheet under regulatory scope of consolidation
		As on reporting date	As on reporting date
A Capital & Liabilities			
i	Paid-up Capital	810.14	
	of which: Amount eligible for CET1	810.14	
	of which: Amount eligible for AT1	-	
	Employee's Stock Options Outstanding	-	
	Reserves & Surplus	7,997.43	
	Minority Interest	-	
	Total Capital	8,807.57	
ii	Deposits	145,571.41	
	of which: Deposits from banks	62.46	
	of which: Customer deposits	145,508.95	
	of which: Other deposits (pl. specify)	-	
iii	Borrowings	517.97	
	of which: From RBI	-	
	of which: From banks	-	
	of which: From other institutions & agencies	-	
	of which: Others (pl. specify)	-	
	of which: Capital instruments	517.97	
iv	Other liabilities & provisions	3,666.01	
	of which: DTLs related to goodwill	-	
	of which: DTLs related to intangible assets	-	
Total Capital & Liabilities		158,562.96	
B Assets			
i	Cash and balances with Reserve Bank of India	6,617.42	
	Balance with banks and money at call and short notice	1,459.10	
ii	Investments	48,243.40	
	of which: Government securities	41,755.44	
	of which: Other approved securities	-	
	of which: Shares	30.51	
	of which: Debentures & Bonds	1,388.96	
	of which: Subsidiaries / Joint Ventures / Associates	-	
	of which: Others (Commercial Papers, Mutual Funds etc.)	5,068.49	
iii	Loans & Advances	89,720.81	
	of which: Loans and advances to banks	-	

	of which: Loans and advances to customers	89,720.81	
iv	Fixed assets	2,152.73	
v	Other Assets	10,369.50	
	of which: Goodwill and intangible assets	1,002.86	
	Out of which:		
	Goodwill	-	
	Other intangibles (excluding MSRs)	1,002.86	
	of which: Deferred tax assets	881.57	
vi	Goodwill on consolidation	-	
vii	Debit balance in Profit & Loss account	-	
	Total Assets	158,562.96	

Composition of Capital: Reconciliation Requirements Step

2

Rs in million

	Balance sheet as in financial statements	Balance Sheet under regulatory scope of consolidatio		Ref No
		As on reporting date	As on reporting date	
A Capital & Liabilities				
i	Paid-up Capital	810.14		a1
	Employee's Stock options Outstanding	-		
	Reserves & Surplus	7,997.43		
	of which:			
	Share premium	6,475.08		a2
	Statutory Reserves	1,467.56		b1
	Capital Reserves	717.31		b2
	General Reserves	825.51		b3
	Special Reserve (Tax): After Tax Portion	237.62		b4
	Special Reserve (Tax): Tax Element (not considered as part of capital funds)	-		b5
	Contingency Reserves	0.50		b6
	Add: Credit balance in Profit and Loss account	(3,320.82)		b7a
	Current Period profits not reckoned for capital adequacy purpose			b7b
	Revaluation Reserve reckoned as Tier I Capital	717.60		c1
	Revaluation Reserve not reckoned as Tier I Capital (55% discount)	877.07		c2
	Investment Reserve			c3
	Minority Interest	-		
	Total Capital	8,807.57		
ii	Deposits	145,571.41		
	of which: Deposits from banks	62.46		
	of which: Customer deposits	145,508.95		
	of which: Other deposits (pl. specify)	-		
iii	Borrowings	517.97		
	of which: From RBI	-		
	of which: From banks	-		
	of which: From other institutions & agencies	-		
	of which: Others (pl. specify)	-		

	of which: Capital instruments: Tier II Bonds	517.97		
	of which Eligible Amount after discounting	-		d
iv	Other liabilities & provisions	3,666.01		
	of which: Provision for Standard assets	-		c4
Total Capital & Liabilities		158,562.96		
B Assets				
i	Cash and balances with Reserve Bank of India	6,617.42		
	Balance with banks and money at call and short notice	1,459.10		
ii	Investments	48,243.40		
	of which: Government securities	41,755.44		
	of which: Other approved securities	-		
	of which: Shares	30.51		
	of which: Debentures & Bonds	1,388.96		
	of which: Subsidiaries / Joint Ventures / Associates	-		
	of which: Others (Commercial Papers, Mutual Funds etc.)	5,068.49		
iii	Loans & Advances	89,720.81		
	of which: Loans and advances to banks	-		
	of which: Loans and advances to customers	89,720.81		
iv	Fixed assets	2,152.73		
v	Other Assets	10,369.50		
	of which: Goodwill and intangible assets	1,002.86		
	Out of which:			
	Goodwill	-		
	Other intangibles (excluding MSR's)	1,002.86		e1
	of which: Deferred tax assets	881.57		e2
vi	Goodwill on consolidation	-		
vii	Debit balance in Profit & Loss account	-		
Total Assets		158,562.96		

Note:

Since the Subordinated Tier 2 bonds issued by us are not considering in the computation of Tier 2 capital, main features of the same are not disclosed.