

Disclosures (on solo basis) under Pillar 3 in terms of New Capital Adequacy Framework (Basel III) of Reserve Bank of India as on 31.03.2014

I. Scope of application and Capital Adequacy

The framework of disclosures applies to Bank of Baroda, on solo basis, which is the top bank in the group

(i) Qualitative Disclosures: -

| 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 |
|---|---|-------------------------------------|---|-------------------------------------|---|---|
| The Nainital Bank Ltd. / India | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| BOB Capital Markets Ltd /India | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| BOB Cards Ltd. / India | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| Bank of Baroda (Botswana) Ltd./ Botswana | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| Bank of Baroda (Kenya) Ltd. / Kenya | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| Bank of Baroda (Uganda) Ltd. / Uganda | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| Bank of Baroda (Guyana) Inc. /Guyana | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| Bank of Baroda (Tanzania) Ltd. /Tanzania | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| Bank of Baroda Trinidad &Tobago Ltd. / Trinidad &Tobago | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |

| | | | | | | |
|---|-----|------------------------------------|-----|---|---|-------------------|
| Bank of Baroda (Ghana) Ltd. /Ghana | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| Bank of Baroda (New Zealand) Ltd. /New Zealand | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| BOB (UK) Ltd. / UK | Yes | Line By Line Basis | Yes | Line By Line Basis | NA | NA |
| India First Life Insurance Company Ltd. / India | Yes | Proportionate Consolidation Method | Yes | The investment assets is deducted under consolidation | Regulatory guidelines applied to an insurance entity. | Not Consolidated. |
| India International Bank (Malaysia) Bhd. / Malaysia | Yes | Proportionate Consolidation Method | Yes | Proportionate Consolidation Method | NA | NA |
| India Infradebt Ltd. / India | Yes | Proportionate Consolidation Method | Yes | Proportionate Consolidation Method | NA | NA |
| Indo Zambia Bank Limited / Zambia | Yes | Equity Method | Yes | Equity Method | NA | NA |
| Baroda Pioneer Asset Management Co. Ltd. / India | Yes | Equity Method | Yes | Equity Method | NA | NA |
| Baroda Pioneer Trustee Co. Pvt Ltd / India | Yes | Equity Method | Yes | Equity Method | NA | NA |
| Baroda Uttar Pradesh Garmin Bank / India | Yes | Equity Method | Yes | Equity Method | NA | NA |
| Baroda Rajasthan Kshetriya Garmin Bank / India | Yes | Equity Method | Yes | Equity Method | NA | NA |
| Baroda Gujarat Garmin Bank / India | Yes | Equity Method | Yes | Equity Method | NA | NA |

a. List of group entities considered for consolidation:

| |
|--|
| The Nainital Bank Ltd. |
| BOB Capital Markets Ltd |
| BOB Cards Ltd. |
| Bank of Baroda (Botswana) Ltd. |
| Bank of Baroda (Kenya) Ltd. |
| Bank of Baroda (Uganda) Ltd. |
| Bank of Baroda (Guyana) Inc. |
| Bank of Baroda (Tanzania) Ltd. |
| Bank of Baroda Trinidad &Tobago Ltd. |
| Bank of Baroda (Ghana) Ltd. |
| Bank of Baroda (New Zealand) Ltd. |
| BOB (UK) Ltd. |
| India International Bank (Malaysia) Bhd. |
| India Infradebt Ltd. |
| Indo Zambia Bank Limited |
| Baroda Pioneer Asset Management Co. Ltd. |
| Baroda Pioneer Trustee Co. Pvt Ltd |
| Baroda Uttar Pradesh Garmin Bank |
| Baroda Rajasthan Kshetriya Garmin Bank |
| Baroda Gujarat Garmin Bank |

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 | Principle activity of the entity | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) | % of bank's holding in the total equity | Regulatory treatment of 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) |
|---|----------------------------------|--|---|---|--|
| NIL | | | | | |

(ii) Quantitative Disclosures:

c. List of group entities considered for consolidation:

(Amt in Lks)

| Name of the entity / country of incorporation (as indicated in (i)a. above) | Principle 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) |
|---|----------------------------------|--|--|
| The Nainital Bank Ltd. / India | Banking | 44528.43 | 534259.01 |
| BOB Capital Markets Ltd /India | Non Banking | 14277.82 | 15791.55 |
| BOB Cards Ltd. / India | Non Banking | 17357.11 | 21939.40 |
| Bank of Baroda (Botswana) Ltd./ Botswana | Banking | 11609.25 | 109108.11 |
| Bank of Baroda (Kenya) Ltd. / Kenya | Banking | 54202.44 | 372526.14 |
| Bank of Baroda (Uganda) Ltd. / Uganda | Banking | 39853.39 | 232425.76 |
| Bank of Baroda (Guyana) Inc. /Guyana | Banking | 5620.61 | 40526.82 |
| Bank of Baroda (Tanzania) Ltd. /Tanzania | Banking | 10726.92 | 55613.99 |
| Bank of Baroda Trinidad &Tobago Ltd. / Trinidad &Tobago | Banking | 3763.84 | 39058.53 |
| Bank of Baroda (Ghana) Ltd. /Ghana | Banking | 24423.29 | 42641.71 |
| Bank of Baroda (New Zealand) Ltd. /New Zealand | Banking | 22231.03 | 36196.08 |
| BOB (UK) Ltd. / UK | Non Banking | 11.43 | 11.43 |
| India International Bank (Malaysia) Bhd. / Malaysia | Banking | 23645.18 | 34793.58 |
| India Infradebt Ltd. / India | Non Banking | 32894.33 | 33157.37 |
| Indo Zambia Bank Limited / Zambia | Banking | 31981.54 | 216610.77 |
| Baroda Pioneer Asset Management Co. Ltd. / India | Non Banking | 6626.40 | 7258.67 |
| Baroda Pioneer Trustee Co. Pvt Ltd / India | Non Banking | 5.70 | 11.95 |
| Baroda Uttar Pradesh Garmin Bank / India | Banking | 75100.56 | 1441812.55 |
| Baroda Rajasthan Kshetriya Garmin Bank / India | Banking | 64801.83 | 1077137.53 |
| Baroda Gujarat Garmin Bank / India | Banking | 12479.70 | 261411.78 |

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 | Principle activity of the entity | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) | % of bank's holding in the total equity | Capital deficiencies |
|---|----------------------------------|--|---|----------------------|
| NIL | | | | |

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

| Name of the insurance entities / country of incorporation | Principle activity of the entity | Total balance sheet equity (as stated in the accounting balance sheet of the legal entity) | % of bank's holding in the total equity / proportion of voting power | Quantitative impact on regulatory capital of using risk weighting method versus using the full deduction method |
|---|----------------------------------|--|--|---|
| India First Life Insurance Company Ltd. | Insurance | 35057.35 | 44% | 16198.00 |

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

In regard to restriction and impediments local laws of host countries are applicable. The transfer of capital funds within the Group entities is restricted.

II. Capital Adequacy

- a. Bank maintains capital to cushion the risk of loss in value of exposure, businesses etc. so as to protect the interest of depositors, general creditors and stake holders against any unforeseen losses. Bank has a well defined Internal Capital Adequacy Assessment Process (ICAAP) policy to comprehensively evaluate and document all risks and to provide appropriate capital so as to evolve a fully integrated risk/ capital model for both regulatory and economic capital.

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

The capital requirement is affected by the economic environment, regulatory requirement and by the risk arising from bank's activities. Capital Planning exercise of

the bank is carried out every year to ensure the adequacy of capital at the times of changing economic conditions, even at the time of economic recession. In capital planning process the bank reviews:

- Current capital requirement of the bank
 - The targeted and sustainable capital in terms of business strategy, policy and risk appetite.
 - The future capital planning is done on a three-year outlook.
- The capital plan is revised on an annual basis. The policy of the bank is to maintain capital as prescribed in the ICAAP Policy (minimum 12% Capital Adequacy Ratio or as decided by the Bank from time to time). At the same time, Bank has a policy to maintain capital to take care of the future growth in business so that the minimum capital required is maintained on continuous basis. On the basis of the estimation bank raises capital in Tier-1 or Tier-2 with due approval of its Board of Directors. The Capital Adequacy position of the bank is reviewed by the Board of the Bank on quarterly basis and the same is submitted to RBI also.

(b) Capital requirements for credit risk:

- Portfolios subject to Standardized approach: Rs. 2873987.50 Lks
- Securitizations exposures: Nil

(c) Capital requirements for market risk:

- Interest rate risk: Rs. 102664.41 Lks.
- Foreign exchange risk (including gold): Rs. 2025.00 Lks
- Equity risk: Rs. 71472.63 Lks.

(d) Capital requirements for operational risk:

- Basic Indicator Approach. Rs.194792.94 Lks
- The Standardized Approach (if applicable): NA

(e) Common Equity Tier 1, and Total Capital ratios:

- Bank of Baroda (Solo Basis):
 - Common Equity Tier I capital to Total RWA: 8.95%
 - Tier I capital to Total RWA: 9.28%
 - Total capital ratio for Bank of Baroda: 12.28%

III. General disclosures in respect of Credit Risk

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

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

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

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

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

Non Performing Investments (NPI):

In respect of securities, where interest/principal is in arrears, the Bank does not reckon income on the securities and makes appropriate provisions for the depreciation in the value of the investment.

A non-performing investment (NPI), similar to a non-performing advance (NPA), is one where:

- (i) Interest/ installment (including maturity proceeds) is due and remains unpaid for more than 90 days.

(ii) This applies mutatis-mutandis to preference shares where the fixed dividend is not paid.

(iii) In the case of equity shares, in the event the investment in the shares of any company is valued at Re.1 per company on account of the non-availability of the latest balance sheet in accordance with the Reserve Bank of India instructions. Those equity shares are also reckoned as NPI.

(iv) If any credit facility availed by the issuer is NPA in the books of the bank, investment in any of the securities, including preference shares issued by the same issuer would also be treated as NPI and vice versa. However, if only the preference shares are classified as NPI, the investment in any of the other performing issued by the same issuer may not be treated as NPA.

(v) The investments in debentures / bonds which are deemed to be in the nature of advance are subjected to NPI norms as applicable to investments.

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

► Sub standard Assets

A sub standard asset is one which has remained NPA for a period less than or equal to 12 months.

► Doubtful Assets

An asset would be classified as doubtful if it has remained in the sub standard category for 12 months.

► Loss Assets

A loss asset is one where loss has been identified by the bank or by internal or external auditors or the RBI inspection. In loss assets realizable value of security available is less than 10% of balance outstanding/ dues.

Strategies and Processes:

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

- Exposure ceilings to different sectors of the economy, different types of borrowers and their group and industry

- Fair Practice Code in dispensation of credit
- Discretionary Lending Powers for different levels of authority of the bank
- Processes involved in dispensation of credit – pre-sanction inspection, rejection, appraisal, sanction, documentation, monitoring, and recovery.
- Fixation of pricing.

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

Credit Risk Philosophy:

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

Architecture and Systems of the Bank:

- A Sub-Committee of Directors has been constituted by the Board to specifically oversee and co-ordinate Risk Management functions in the bank.

- Credit Policy Committee has been set up to formulate and implement various credit risk strategy including lending policies and to monitor Bank's Enterprise-wide Risk Management function on a regular basis.
- Formulating policies on standards for credit proposals, financial covenants, rating standards and benchmarks.
- Credit Risk Management cells deal with identification, measurement, monitoring and controlling credit risk within the prescribed limits.
- Enforcement and compliance of the risk parameters and prudential limits set by the Board/regulator etc.,
- Laying down risk assessment systems, developing MIS, monitoring quality of loan portfolio, identification of problems and correction of deficiencies.
- Evaluation of Portfolio, conducting comprehensive studies on economy, industry, test the resilience on the loan portfolio etc.,
- Improving credit delivery system upon full compliance of laid down norms and guidelines.

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

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

The bank's robust credit risk rating system is based on internationally adopted frameworks and global best practices and assists the bank in determining the Probability of Default and the severity of default, among its loan assets and thus allows the bank to build systems and initiate measures to maintain its asset quality.

Quantitative Disclosures in respect of Credit Risk:-

(b) Total Gross Credit Risk Exposure:

| | Fund Base | Non-Fund Base |
|---|------------------|----------------------|
| Total Gross Credit Risk : (Gross Advances) | 40370406.01 | 6403901.72 |
| Less : Deduction | 669824.93 | 1485133.75 |
| Total Net Advances | 39700581.08 | 4918767.96 |

(c) Geographic distribution of exposures, (Fund based and Non-fund based separately)

(Amt in Lks)

| | Fund Base | Non-Fund Base |
|--|------------------|----------------------|
| Total Gross Credit Risk : (Gross Outstanding Advances) (Domestic) | 27785930.31 | 4966318.91 |
| Total Gross Credit Risk : (Gross Outstanding Advances) (Overseas) | 12584475.70 | 1437582.81 |

(d) Industry type distribution of exposures (Domestic) (Fund based and Non-fund based separately):

| INDUSTRY | Funded Bal (Lks) | Non-Funded Bal (Lks) | Total (LKS) |
|---|-------------------------|-----------------------------|--------------------|
| 1 A Mining and Quarrying | 255796.02 | 73819.28 | 329615.30 |
| 2A.1 Coal | 27502.29 | 8236.20 | 35738.49 |
| 3A.2 Other | 228293.73 | 65583.08 | 293876.80 |
| 4B. Food Processing | 729000.04 | 153013.47 | 882013.51 |
| 5B.1 Sugar | 202830.04 | 1345.18 | 204175.22 |
| 6B.2 Edible Oils and Vanaspati | 78979.45 | 104493.43 | 183472.88 |
| 7B.3 TEA | 7113.15 | 264.42 | 7377.57 |
| 8B.4 Coffee | 1165.56 | 0.00 | 1165.56 |
| 9B.5 Others | 438911.84 | 46910.44 | 485822.28 |
| 10C. Beverages | 64422.68 | 7779.87 | 72202.55 |
| 11C.1 Tobacco and tobacco products | 19299.68 | 6248.94 | 25548.62 |
| 12C.2 Others | 45123.01 | 1530.93 | 46653.94 |
| 13D. Textiles | 1410142.47 | 191714.67 | 1601857.14 |
| 14D.1 Cotton Textile | 656121.52 | 40852.77 | 696974.29 |
| 15D.2 Jute Textile | 16420.88 | 4276.11 | 20696.99 |
| 16D.3 Handicraft/Khadi | 31038.12 | 1322.98 | 32361.10 |

| | | | |
|---|------------|-----------|------------|
| 17D.4 Silk | 25867.42 | 1920.67 | 27788.09 |
| 18D.5 Woolen | 42116.64 | 2087.35 | 44203.99 |
| 19D.6 Others | 638577.89 | 141254.79 | 779832.68 |
| 20Out of D to spinning Mills | 357217.48 | 28264.36 | 385481.84 |
| 21E.Leather and Leather products | 46247.50 | 4022.11 | 50269.61 |
| 22F.Wood and Wood products | 58561.57 | 11810.14 | 70371.71 |
| 23G.Paper and Paper products | 171960.90 | 35401.74 | 207362.64 |
| 24H.Petroleum | 334570.19 | 218325.12 | 552895.31 |
| 25I.Chemicals and Chemical Products | 903120.42 | 277032.31 | 1180152.73 |
| 26I1. Fertilizers | 168393.66 | 124176.26 | 292569.92 |
| 27I.2 Drugs and Pharmaceuticals | 262541.24 | 35414.67 | 297955.91 |
| 28I.3 Petro-Chemicals | 75949.76 | 26180.54 | 102130.30 |
| 29I.4 Other | 396235.76 | 91260.83 | 487496.60 |
| 30J.Rubber Plastic and their Products | 345091.36 | 60933.09 | 406024.45 |
| 31K.Glass and Glassware | 122777.49 | 31153.66 | 153931.15 |
| 32L.Cement and Cement Products | 144325.05 | 20048.14 | 164373.20 |
| 33M.Basic Metal and Metal Products | 1618108.49 | 439124.59 | 2057233.08 |
| 34M.1 Iron and Steel | 1294811.47 | 326457.54 | 1621269.01 |
| 35M.2 Other Metal and Metal Products | 323297.02 | 112667.05 | 435964.08 |
| 36N.All Engineering | 794641.81 | 531840.61 | 1326482.42 |
| 37N.1 Electronics | 158071.22 | 68433.23 | 226504.45 |
| 38N.2 Other Engg | 636570.59 | 463407.38 | 1099977.97 |
| 39O.Vehicles,vehicle parts and Transport Equipments | 148559.25 | 75168.58 | 223727.84 |
| 40P.Gems and Jewellery | 176271.12 | 2650.96 | 178922.09 |
| 41Q.Construction | 692100.95 | 102940.01 | 795040.96 |
| 42R.Infrastructure | 3461063.15 | 764470.57 | 4225533.72 |
| 43R.1 Transport | 847595.54 | 235857.00 | 1083452.55 |
| 44R.1.1 Railways | 4358.62 | 132.85 | 4491.48 |
| 45R.1.2 Roadways | 668240.64 | 200536.14 | 868776.78 |
| 46R.1.3 Aviation | 54815.61 | 1285.46 | 56101.07 |
| 47R.1.4 Waterways | 46430.53 | 4170.98 | 50601.51 |
| 48R.1.5 Others Transport | 73750.14 | 29731.58 | 103481.72 |
| 49R.2 Energy | 1875425.48 | 305981.81 | 2181407.28 |
| 50R.2.1 Electricity gen-trans--distri | 1875148.52 | 300698.87 | 2175847.39 |
| 51R.2.1.1 of which state electricity Board | 535978.79 | 16039.42 | 552018.21 |
| 52R.2.2 Oil | 0.00 | 0.00 | 0.00 |
| 53R.2.3 Gas/LNG (STORAGE AND PIPELINE | 276.96 | 5282.94 | 5559.89 |
| 54R.2.4 OTHER | 0.00 | 0.00 | 0.00 |
| 55R.3 TELECOMMUNICATION | 487275.73 | 98769.48 | 586045.21 |
| 56R.4 OTHERS | 250766.39 | 123862.28 | 374628.68 |

| | | | |
|--|--------------------|-------------------|--------------------|
| 57R.4.1 WATER SANITATION | 17873.57 | 52328.40 | 70201.97 |
| 58R.4.2 Social and Commercial Infrastructure | 46755.80 | 16239.74 | 62995.53 |
| 59R.4.3 Others | 186137.03 | 55294.15 | 241431.17 |
| 60S Other Industries | 403254.80 | 63561.40 | 466816.20 |
| All Industries | 11880015.27 | 3064810.34 | 14944825.62 |
| Residuary other advances(not included above) | 15905915.04 | 1901508.57 | 17807423.60 |
| Total Loans & Advances | 27785930.31 | 4966318.91 | 32752249.22 |

Credit exposure in industries where outstanding exposure is more than 5% of the total domestic credit exposure of the bank is as follows:

| Sr no | Industry | Exposure amt. (in Lks.) | % of Total Domestic Exposure |
|-------|-------------------------------------|-------------------------|------------------------------|
| 5. | Electricity gen-trans--distribution | 2175847.39 | 6.64% |

f. Residual maturity breakdown of assets:

| Time Bucket | Advances | | | | Investment | | | Other Foreign CCY Assets | | | Total Assets (A+B+C) | %age |
|--------------|-----------------|------------------|-----------------|-----------------|-----------------|---------------|-----------------|--------------------------|-----------------|-----------------|----------------------|----------------|
| | Domestic Rupee | Domestic Fgn CCY | Intl | Total (A) | Domestic | Intl | Total (B) | Domestic | Intl | Total © | | |
| 1 D | 200502 | 2853 | 154776 | 358132 | 94780 | 0 | 94780 | 13727 | 2174911 | 2188638 | 2641549 | 4.22% |
| 2-7 D | 1018042 | 9977 | 552430 | 1580450 | 209538 | 92 | 209630 | 0 | 905028 | 905028 | 2695108 | 4.30% |
| 8-14 D | 285571 | 15109 | 389325 | 690005 | 34218 | 1036 | 35254 | 0 | 528201 | 528201 | 1253460 | 2.00% |
| 15-28 D | 630129 | 53036 | 941891 | 1625056 | 369510 | 1860 | 371370 | 59915 | 721387 | 781302 | 2777728 | 4.44% |
| 29-90 D | 3533743 | 164832 | 2259512 | 5958087 | 494675 | 15824 | 510499 | 433185 | 2295311 | 2728496 | 9197082 | 14.68% |
| 3 - 6 M | 1980257 | 119889 | 2571007 | 4671154 | 50211 | 44102 | 94313 | 554214 | 2233859 | 2788073 | 7553539 | 12.06% |
| 6 - 12 M | 2115951 | 13699 | 833939 | 2963590 | 358091 | 30122 | 388213 | 110843 | 1141064 | 1251907 | 4603711 | 7.35% |
| 1 - 3 Y | 7581357 | 64937 | 3006102 | 10652395 | 1016067 | 169337 | 1185403 | 0 | 95908 | 95908 | 11933707 | 19.05% |
| 3 - 5 Y | 2351555 | 167 | 1024142 | 3375864 | 1279772 | 184859 | 1464631 | 0 | 13541 | 13541 | 4854036 | 7.75% |
| Over 5 Y | 7075193 | 95 | 750561 | 7825848 | 7158685 | 98490 | 7257174 | 0 | 37346 | 37346 | 15120368 | 24.14% |
| Total | 26772302 | 444594 | 12483685 | 39700581 | 11065545 | 545721 | 11611266 | 1171884 | 10146557 | 11318441 | 62630288 | 100.00% |

(f) Amount of NPAs (Gross):

| Sr. No. | Asset Category | Total in Rs. Lks |
|------------|---|-------------------|
| (f) | NPAs (Gross): | 1187589.79 |
| | Substandard | 380920.07 |
| | Doubtful 1 | 411290.02 |
| | Doubtful 2 | 244631.42 |
| | Doubtful 3 | 30390.93 |
| | Loss | 120357.35 |
| (g) | Net NPAs | |
| | Total | 602522.35 |
| (h) | NPA Ratios | |
| | Gross NPAs to gross advances | 2.94% |
| | Net NPAs to net advances | 1.52% |
| (i) | Movement of NPA(Gross) | |
| | Opening balance | 798258.33 |
| | Additions | 683392.00 |
| | Reductions | 294060.54 |
| | Closing balance | 1187589.79 |
| (j) | Movement of provisions for NPAs | |
| | Opening balance | 379032.00 |
| | Provision made during the year | 294758.00 |
| | Write off/ Write back of excess provision | 88722.56 |
| | Closing balance | 585067.44 |
| | Non Performing Investments | |
| (k) | Amount of Non-Performing Investments | 46270.56 |
| (l) | Amount of provisions held for non-performing investment | 35347.10 |
| (m) | Movement of provisions for depreciation on investments during the year | |
| | Opening balance | 32301.00 |
| | Provisions made during the period | 7377.00 |
| | Write-back | 14057.00 |
| | Closing balance | 37725.00 |

IV Credit Risk : Disclosures for Portfolios Subject to the

Standardized Approaches

Under Standardized Approach the bank accepts rating of all RBI approved ECAI (External Credit Assessment Institution) namely CARE, CRISIL, Fitch (India), ICRA, SMERA (SME Rating Agency of India Ltd.) and Brickwork India Pvt Ltd for domestic credit exposures. For overseas credit exposures the bank accepts rating of Standard & Poor, Moody's and Fitch.

The bank encourages Corporate and Public Sector Entity (PSE) borrowers to solicit credit ratings from ECAI and has used these ratings for calculating risk weighted assets wherever such ratings are available. The exposure amounts after risk mitigation subject to Standardized Approach (rated and unrated) in the following three major risk buckets are as

Under:

| Category of Risk Weight | TOTAL (Amt In Lks) |
|------------------------------------|----------------------------|
| Below 100% risk weight | 24606423.22 |
| 100% risk weight | 14092169.86 |
| More than 100 % risk weight | 3789945.37 |
| CRM DEDUCTED | 4285769.28 |
| Total Exposure (FB+NFB) | 46774307.73 |

V. Credit risk mitigation: Disclosures for Standardized Approaches

Bank obtains various types of securities (which may also be termed as collaterals) to secure the exposures (Fund based as well as Non-Fund based) on its borrowers. Bank has adopted reduction of exposure in respect of certain credit risk mitigant, as per RBI guidelines. Wherever corporate guarantee is available as credit risk mitigant, the credit risk is transferred to the guarantor to the extent of guarantee available. Generally following types of securities (whether as primary securities or collateral securities) are taken:

1. Moveable assets like stocks, moveable machinery etc.
2. Immoveable assets like land, building, plant & machinery.
3. Shares as per approved list
4. Bank's own deposits
5. NSCs, KVPs, LIC policies, Securities issued by Central & State Governments etc.

6. Debt securities - rated by approved credit rating agency- with certain conditions
7. Debt securities- not rated- issued by a bank- with certain conditions
8. Units of Mutual funds
9. Cash Margin against Non-fund based facilities
10. Gold and Gold Jewelry.

The bank has well-laid out policy on valuation of securities charged to the bank.

The securities mentioned at Sr. No. 4 to 10 above are recognized as Credit Risk Mitigants for on-balance sheet netting under Basel-II standardized approach for credit risk.

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

- ▶ Individuals (Personal guarantees)
- ▶ Corporate/PSEs
- ▶ Central Government
- ▶ State Government
- ▶ ECGC
- ▶ CGTMSE

CRM collaterals available in Loans Against Bank's Own Deposit and Loans against Government Securities, LIC Policies constitute a major percentile of total CRM.

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

Eligible guarantors (as per Basel-II) available as CRM in respect of Bank's exposures are mainly Central/ State Government, ECGC, CGTSE, Banks & Primary Dealers with a lower risk weight than the counter party AND other entities (mainly parent, subsidiary and affiliate companies) rated AA(-) or better.

b. For each credit risk portfolio, total exposure that is covered by eligible financial collateral, after application of haircut is as under: (Amt in Lks)

| Credit Risk Portfolio | Total Financial Collateral (post hair cut) |
|-------------------------------|---|
| Domestic Sovereign | 0.00 |
| Public Sector Entities | 77436.26 |

| | |
|-------------------------------|-------------------|
| Claims on Banks | 105769.44 |
| Corporate | 3143305.46 |
| Reg Retail Portfolio | 998943.09 |
| Residential Property | 9107.69 |
| Commercial Real Estate | 4656.62 |
| Specified Categories | 56506.86 |
| Other Assets | 2595.50 |
| TOTAL | 4398320.92 |

c. Details of exposures that are covered by Guarantees (permitted by RBI)

(Amt. in Lks.)

| Nature asset desc | DICGC | ECGC | CGFT | AA & A Gty | State govt gty | Central govt gty | Gty by Banks |
|-----------------------------|---------------|------------------|------------------|-----------------------|-----------------------|-------------------------|---------------------|
| Domestic Sovereigns | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Public Sector Entity | 0.00 | 46.31 | 0.00 | 0.00 | 345060.55 | 480209.19 | 263.67 |
| Claims on Banks | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Corporate | 0.00 | 525547.97 | 125.35 | 0.00 | 3000.00 | 0.00 | 500020.49 |
| Regulatory Retail Portfolio | 110.74 | 37127.81 | 121522.74 | 0.00 | 0.00 | 0.00 | 15290.14 |
| Residential Property | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Comml. Real Estate | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Specified Categories | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total | 110.74 | 562722.09 | 121648.09 | 0.00 | 348060.55 | 480209.19 | 515574.30 |

VI. Securitization:

a. The Bank has a Securitization Policy duly approved by its Board. As per the Policy the nature of portfolio to be securitized are retail loans (housing loans, auto loans, and advance against properties, personal loans and credit cards) SSI and Infrastructure projects loans.

The Bank does not have any case of its assets securitized as on 31st March 2014

c. There is no case of retained exposure in respect of securitization

Amount of securitization exposure purchased by the bank is as under:-

| Risk weight category as per external credit rating | Book value | Amt held under banking book | RW % | Risk adjusted value |
|---|-------------------|------------------------------------|-------------|----------------------------|
| NIL | | | | |

- d. The bank does not presently plan to securities any of its standard assets during the year 2014-15

VII. Market risk in trading book:

The Bank defines market risk as potential loss that the Bank may incur due to adverse developments in market prices. The following risks are managed under Market Risk in trading book:

- Interest Rate Risk
- Currency Risk
- Price risk

To manage risk, Bank's Board has laid down various limits such as Aggregate Settlement limits, Stop loss limits and Value at Risk limits. The risk limits help to check the risks arising from open market positions. The stop loss limit takes in to account realized and unrealized losses.

Bank has put in place a proper system for calculating capital charge on Market Risk on Trading Portfolio as per RBI Guidelines, viz., Standardized Duration Approach. The capital charge thus calculated is converted into Risk Weighted Assets. The aggregate Risk Weighted Assets for credit risk, market risk and operational risk are taken into consideration for calculating the Bank's CRAR under Basel-III

Risk Weighted Assets and Capital Charge on Market Risk (as per Standardized Duration Approach) as on 31st March 2014

| | Minimum Capital Charge at 9% (Amt in Lks) |
|------------------------------|--|
| Interest Rate Risk | 102664.41 |
| Equity Position Risk | 71472.63 |
| Foreign Exchange Risk | 2025.00 |
| Total Capital Charge | 176162.04 |

VIII. Operational risk

In line with RBI guidelines, Bank has adopted the Basic Indicator Approach to compute the capital requirements for Operational Risk. Under Basic Indicator Approach, average income of last 3 years is taken into consideration for arriving at Risk Weighted Assets.

IX. Interest rate risk in the Banking Book (IRRBB)

a. The interest rate risk is measured and monitored through two approaches:

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

The immediate impact of the changes in the interest rates on net interest income of the bank is analyzed under this approach.

The Earning at Risk is analyzed under different scenarios:

1. Yield curve risk: A parallel shift of 1% is assumed for assets as well as liabilities.
2. Bucket wise different yield changes are assumed for the assets and the same are applied to the liabilities as well.
3. Basis risk and embedded option risk are assumed as per historical trend.

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

Modified duration of assets and liabilities is computed separately to finally arrive at the modified duration of equity.

- This approach assumes parallel shift in the yield curve for a given change in the yield.
- Impact on the Economic Value of Equity is also analyzed for a 200 bps rate shock as required by RBI.
- Market linked yields for respective maturities are used in the calculation of the Modified Duration.

The analysis of bank's Interest Rate Risk in Banking Book (IRRBB) is done for both Domestic as well as Overseas Operations. The Economic value of equity for Domestic Operations is measured and monitored on a quarterly basis.

b. Earning At Risk:

**NII impact for a period of One year due to 2% upward movement in interest rates
(Amt in Lks)**

| RATE SENSITIVE GAP REPORT | 0-1M | 1-3M | 3-6M | 6-12M |
|----------------------------------|-------------|-------------|-------------|-----------------|
| A. Rate sensitive Liabilities | 12491357.10 | 22837162.59 | 13168607.93 | 17754855.61 |
| B. Rate Sensitive Assets | 14317218.55 | 27480853.19 | 14195762.13 | 7767106.60 |
| C.NET GAP(B-A) | 1825861.44 | 4643690.60 | 1027154.20 | -9987749.01 |
| MID POINT | 0.5 | 2 | 4.5 | 9 |
| ANNUAL IMPACT PERIOD | 11.5 | 10 | 7.5 | 3 |
| CHANGE IN INTEREST RATE | 2% | 2% | 2% | 2% |
| AMOUNT OF IMPACT ON LIABILITES | 239417.68 | 380619.38 | 164607.60 | 88774.28 |
| AMOUNT OF IMPACT ON ASSETS | 274413.36 | 458014.22 | 177447.03 | 38835.53 |
| NET IMPACT ON NII | 34995.68 | 77394.84 | 12839.43 | -49938.75 |
| TOTAL IMPACT ON NII FOR ONE YEAR | | | | 75291.20 |

Economic Value:

| Sr.No. | Particulars | GBP | EURO | USD | RESIDUAL CURRENCIES | INR | Total |
|--------|---|------------|-----------|-------------|---------------------|-------------|-------------|
| 1 | Rate Sensitive Assets (RSA) | 1961271.71 | 837158.95 | 27251825.51 | 3685126.05 | 47107793.51 | 80843175.74 |
| 2 | Rate Sensitive Liabilities (RSL) | 1726930.29 | 600572.58 | 27174270.71 | 2418892.65 | 43610029.92 | 75530696.15 |
| 3 | Modified Duration of Assets (MD _A) | 0.42 | 0.37 | 0.51 | 0.49 | 1.51 | 1.08 |
| 4 | Modified Duration of Liabilities (MD _L) | 0.76 | 0.30 | 0.64 | 0.64 | 1.22 | 0.98 |
| 5 | Modified Duration GAP | -0.25 | 0.15 | -0.13 | 0.07 | 0.38 | 0.17 |
| 6 | % Change in MVE when int rate changes by | | | | | | |
| | 1% | 0.11 | -0.03 | 0.83 | -0.06 | -4.01 | -3.16 |
| | 2% | 0.22 | -0.06 | 1.65 | -0.11 | -8.02 | -6.31 |
| | 3% | 0.33 | -0.09 | 2.48 | -0.17 | -12.03 | -9.47 |
| | With 2% change capital will go up / (-)down | 9847.51 | -2562.09 | 73283.13 | -4998.18 | -355226.25 | -279696.23 |

X. General Disclosures for Exposures Related to Counterparty Credit Risk

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

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

Bank offers many products like derivative products to customers to enable them to deal with their exposures to interest rate and currencies and to earn a margin over the ruling market price for the derivative. All over-the-counter derivative leads to counterparty credit exposures which bank monitors on a regular basis. The margin loaded for these transactions also take into account of the quality and quantity of the credit risk, and the desired return on equity.

The Banks exposure to counterparty credit Risk is covered under its Counterparty Credit Risk Policy. Banks ensures all the due diligence are to be adhered to viz. KYC norms, satisfactory dealing, credit worthiness of the party before extending any derivative products to the party and accordingly decides the level of credit risk mitigation required in the transaction.

To mitigate and monitor the counter party credit exposure, the outstanding derivative transactions to corporate are monitored on a monthly basis and that to the Banks on quarterly basis.

Where transactions show MTM –ve, the sanctioning authority should take a view on continuing the exposure based on credit comfort available. Where losses are large and more than 50% of the credit exposure, additional collateral may be insisted upon.

A break clause in the documentation stipulated so that the same can be triggered when it is perceived that party may not be able to meet the commitments or offer additional collateral. This is stipulated in the sanction memorandum. The fact of imposing a break clause is made known to the corporate and concurrence is obtained.

The derivative exposure and MTM thereon are part of MTR of the borrowal account. Any settlements funded by the Bank and outstanding or devolved and is paid subsequently reported

in the review. Such devolvement is to be treated on par with credit devolvement.

Mutual termination clause is incorporated in documentation. In addition to other credit events, transfer of accounts to another Bank is treated as credit event .This enables the Bank to shut out the transaction at MTM and transfer the exposure to the Bank, which is taking over the account.

To manage counterparty credit risk bank has put in place appropriate limits and exposure guidelines norms essentially dictated by the nature of the product and guided by counterparty credit risk management policy which is read in conjunction with other related policies of the bank such as Loan Policy, Investment Policy, Policy on Exposure Limits on Counterparty Banks, Policy on Off- Balance Sheet Exposure, Foreign Exchange Risk Management Policy, Policy on Credit Default Swaps and Country Risk Management Policy.

b. Quantitative Disclosures

The Bank does not recognize bilateral netting. The derivative exposure is calculated using Current Exposure Method (CEM) and the balance out standing as on 31st March 2014 is given below:

(In INR Lks)

| Particulars | Notional Amounts (Amt in INR) | Current Exposure (Amt in INR) |
|---|--------------------------------------|--------------------------------------|
| Forward forex Contracts(less than or equal to 14 dy) | 1387257.00 | 29987.79 |
| Forward forex Contracts(over 14 dy) | 15700453.66 | 511880.07 |
| Currency Option | 87338.62 | 3220.44 |
| Cross Currency Interest Rate Swap | 32076.25 | 641.53 |
| Single Currency Int. Rate Swap | 3849582.90 | 50394.89 |

XII. Composition of Capital:

Table DF – 11

(Amt in Mil)

| Sr. No | Items | Eligible Amt | Amounts Subject to Pre Basel III Treatments | Ref No. |
|--|---|--------------|---|---------------------|
| Common Equity Tier 1 Capital : instruments and reserves | | | | |
| 1 | Directly issued qualifying common share capital plus related stock surplus (share premium) | 81451.02 | 0.00 | A+D |
| 2 | Related Earnings | 81193.64 | 0.00 | B |
| 3 | Accumulated other comprehensive income (and other reserve) | 168326.79 | 0.00 | PART OF C + E+F+G+J |
| 4 | Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies) | 0.00 | 0.00 | |
| | Public sector capital injections grandfathered until 1 January 2018 | 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 | |
| Common Equity Tier 1 Capital before regulatory adjustment | | 330971.46 | 0.00 | |
| Common Equity Tier 1 Capital : regulatory adjustment | | | | |
| 7 | Prudential Valuation Adjustment | 0.00 | 0.00 | |
| 8 | Goodwill (net of related tax liability) | 0.00 | 0.00 | |
| 9 | Intangibles other than mortgage-service rights (net of tax liability) | 0.00 | 0.00 | |
| 10 | Deferred tax assets | 0.00 | 0.00 | |
| 11 | Cash-flow hedge reserve | 0.00 | 0.00 | |
| 12 | Shortfall of provision to expected loss | 0.00 | 0.00 | |
| 13 | Securitization Gain on sale | 0.00 | 0.00 | |
| 14 | Gains & losses due to changes in own credit risk on fair values liabilities | 0.00 | 0.00 | |
| 15 | Defined-benefit pension fund net assets | 3659.8 | 0.00 | PART OF W |
| 16 | Investment in own shares (if not already netted off paid-in capital on reported balance sheet) | 2.60 | 3.90 | PART of S |
| 17 | Reciprocal cross holdings in common equity | 104.00 | 155.99 | {PART OF P+Q+S} |

| | | | | |
|-----|--|-----------|---------|-----------|
| 18 | Investment 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) | 0.00 | 0.00 | |
| 19 | Significant investment in the common stock of banking financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short position (amount above 10% threshold) | 3515.96 | 5273.94 | |
| 20 | Mortgage servicing rights (amount above 10% threshold) | 0.00 | 0.00 | |
| 21 | Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability) | 0.00 | 0.00 | |
| 22 | Amount exceeding the 15% threshold | 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 adjustment (26a+26b+26c+26d) | 836.00 | 1254.00 | |
| 26a | of which : Investment in the equity capital of the unconsolidated insurance subsidiaries | 836.00 | 1254.00 | PART OF R |
| 26b | of which : Investment in the Equity Capital of the unconsolidated non-financial subsidiaries | 0.00 | 0.00 | |
| 26c | of which : Shortfall in the Equity Capital of majority owned financial entities which have not been consolidated with the bank | 0.00 | 0.00 | |
| 26d | of which : Unamortized pension funds expenditure | 0.00 | 0.00 | |
| 27 | Regulatory adjustment applied to Common Equity Tier 1 due to insufficient Tier 1 and Tier 2 to cover deduction | 0.00 | 0.00 | |
| 28 | Total regulatory adjustments to Common equity Tier 1 | 8118.36 | | |
| 29 | Common Equity Tier 1 Capital (CET 1) | 322853.11 | | |
| | Additional Tier 1 capital : instruments | | | |

| | | | | |
|-----------|--|----------------|----------|--------------------------|
| 30 | Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32) | 0.00 | 0.00 | |
| 31 | of which : classified as equity under applicable accounting standards (PNCPS) | 0.00 | 0.00 | |
| 32 | of which : classified as liabilities under applicable accounting standards (Perpetual Debt Instruments) | 0.00 | 0.00 | |
| 33 | Directly issued capital instruments subject to phase out form Additional Tier 1 | 15293.60 | 19117.00 | T (AFTER GRND FATHERING) |
| 34 | Additional Tier 1 instruments (and CET 1 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 : amount issued by subsidiaries subject to phase out | 0.00 | 0.00 | |
| 36 | Additional Tier 1 capital before regulatory adjustment | 15293.6 | | |
| 37 | Investments in own Additional Tier 1 instruments | 0.00 | 0.00 | |
| 38 | Reciprocal cross-holdings in Additional Tier 1 instruments | 198.08 | 297.12 | {PART OF P+Q+S} |
| 39 | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation 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 position) | 0.00 | 0.00 | |
| 41 | National specific regulatory adjustment (41a+41b) | 3263.97 | 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 | 3263.97 | 0.00 | |
| | Regulatory adjustments applied to Additional Tier 1 in respect of amounts subject to Pre-Basel III treatment (please specify the details in remarks column) | 0.00 | 0.00 | |
| | of which : Goodwill And Intangible Assets | 0.00 | 0.00 | PART OF L |

| | | | | |
|------------|--|------------------|----------|---|
| | of which : Investment in Subsidiaries c/f from Subsidiaries | 3263.97 | 0.00 | PART OF R |
| | of which : All Deferred Tax Assets | 0.00 | 0.00 | PART OF M |
| 42 | Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions | 0.00 | 0.00 | |
| 43 | Total regulatory adjustments to Additional Tier 1 capital | 3462.05 | | |
| 44 | Additional Tier 1 capital (AT1) capital | 11831.55 | | |
| 44a | Additional Tier 1 capital (AT1) reckoned for capital adequacy | 11831.55 | | |
| 45 | Tier 1 capital (T1 = CET1 + Admissible AT1) | 334684.66 | | |
| 46 | Directly issued qualifying Tier 2 instruments plus related stock surplus | 20000.00 | 0.00 | |
| 47 | Directly issued capital instruments subject to phase out from Tier 2 | 62209.20 | 77761.50 | PART OF T+V |
| 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) | 0.00 | 0.00 | |
| 49 | of which: instruments issued by subsidiaries subject to phase out | 0.00 | 0.00 | |
| 50 | Provisions (Revaluation Reserve included in Tier 2) | 29833.83 | 0.00 | PART OF C {45% of 10526.1} PART of W |
| 51 | Tier 2 capital before regulatory adjustments | 112043.03 | | |
| 52 | Investments in own Tier 2 instruments | 0.00 | 0.00 | |
| 53 | Reciprocal cross-holdings in Tier 2 instruments | 538.28 | 807.42 | {PART OF Q+S} |
| 54 | Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation 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 | |
| 55 | Significant investments in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions) | 0.00 | 0.00 | |

| | | | | |
|-----------------------|---|-------------------|------|-----------|
| 56 | National specific regulatory adjustments (56a+56b) | 3263.97 | 0.00 | |
| 56a | of which: Investments in the Tier 2 capital of unconsolidated subsidiaries | 3263.97 | 0.00 | PART OF R |
| 56b | of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank | 0.00 | 0.00 | |
| 56c | Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment | 0.00 | 0.00 | |
| 57 | Total regulatory adjustments to Tier 2 capital | 3802.25 | | |
| 58 | Tier 2 capital | 108240.78 | | |
| 58a | Tier 2 Capital reckoned for Capital Adequacy | 108240.78 | 0.00 | |
| 58b | Any Excess Additional Tier 1 capital to be reckoned as Tier 2 capital | 0.00 | 0.00 | |
| 58c | Total Tier 2 Capital admissible for capital adequacy (58a+58b) | 108240.78 | | |
| 59 | Total Capital (TC = T1 + T2) (45+58c) | 442925.43 | | |
| 60 | Total risk weighted assets (60a + 60b + 60c) | 3605491.65 | | |
| 60a | of which: total credit risk weighted assets | 3193319.45 | 0.00 | |
| 60b | of which: total market risk weighted assets | 195735.60 | 0.00 | |
| 60c | of which: total operational risk weighted assets | 216436.6 | 0.00 | |
| Capital ratios | | | | |
| 61 | Common Equity Tier 1 (as a percentage of risk weighted assets) | 8.95 | 0.00 | |
| 62 | Tier 1 (as a percentage of risk weighted assets) | 9.28 | 0.00 | |
| 63 | Total capital (as a percentage of risk weighted assets) | 12.28 | 0.00 | |
| 64 | Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets) | 0.00 | 0.00 | |
| 65 | of which: capital conservation buffer requirement | 0.00 | 0.00 | |
| 66 | of which: bank specific countercyclical buffer requirement | 0.00 | 0.00 | |
| 67 | of which: G-SIB buffer requirement | 0.00 | 0.00 | |
| 68 | Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets) | 0.00 | 0.00 | |

| National minima (if different from Basel III) | | | | |
|--|--|----------|------|--|
| 69 | National Common Equity Tier 1 minimum ratio (if different from Basel III minimum) | 0.00 | 0.00 | |
| 70 | National Tier 1 minimum ratio (if different from Basel III minimum) | 0.00 | 0.00 | |
| 71 | National total capital minimum ratio (if different from Basel III minimum) | 0.00 | 0.00 | |
| Amounts below the thresholds for deduction (before risk weighting) | | | | |
| 72 | Non-significant investments in the capital of other financial entities | 0.00 | 0.00 | |
| 73 | Significant investments in the common stock of financial entities | 0.00 | 0.00 | |
| 74 | Mortgage servicing rights (net of related tax liability) | NA | 0.00 | |
| 75 | Deferred tax assets arising from temporary differences (net of related tax liability) | NA | 0.00 | |
| Applicable caps on the inclusion of provisions in Tier 2 | | | | |
| 76 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardized approach (prior to application of cap) | 15293.60 | 0.00 | |
| 77 | Cap on inclusion of provisions in Tier 2 under standardized approach (1.25% of 28761584.65) | 39916.49 | 0.00 | |
| 78 | Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap) | NIL | 0.00 | |
| 79 | Cap for inclusion of provisions in Tier 2 under internal ratings-based approach | NIL | 0.00 | |
| 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 | NIL | 0.00 | |
| 81 | Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities) | NIL | 0.00 | |
| 82 | Current cap on AT1 instruments subject to phase out arrangements | 15293.60 | 0.00 | |
| 83 | Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities) | 3823.40 | 0.00 | |
| 84 | Current cap on T2 instruments subject to phase out arrangements | 82209.20 | 0.00 | |

| | | | |
|----|---|----------|------|
| 85 | Amount excluded from T2 due to cap (excess over cap after redemptions and maturities) | 15552.30 | 0.00 |
|----|---|----------|------|

Table DF-12: Composition of Capital- Reconciliation Requirements (Amt in Mil)

| | Particulars | Balance sheet as in financial statements | Balance sheet under regulatory scope of consolidation |
|------------------------------------|---|--|---|
| | | 31.03.2014 | 31.03.2014 |
| A Capital & Liabilities | | | |
| i | Paid-up Capital | 4306.76 | 0.00 |
| | Reserves & Surplus | 55549.99 | 0.00 |
| | Minority Interest | 0.00 | 0.00 |
| | Total Capital | 359856.75 | |
| ii | Deposits | 5688943.89 | |
| | of which: Deposits from banks | 1080788.74 | 0.00 |
| | of which: Customer deposits | 4608155.15 | 0.00 |
| | of which: Other deposits (pl. specify) | 0.00 | 0.00 |
| iii | Borrowings | 368129.69 | |
| | of which: From RBI | 20000.00 | 0.00 |
| | of which: From banks | 20225.21 | 0.00 |
| | of which: From other institutions & agencies | 20.82 | 0.00 |
| | of which: Others (pl. specify) | 213866.66 | 0.00 |
| | of which: Capital instruments | 114017.00 | 0.00 |
| iv | Other liabilities & provisions | 178115.01 | 0.00 |
| | Total | 6595045.33 | 0.00 |
| B Assets | | | |
| i | Cash and balances with Reserve Bank of India | 186290.94 | 0.00 |
| | Balance with banks and money at call and short notice | 1122488.18 | 0.00 |
| ii | Investments: | 1161126.61 | 0.00 |
| | of which: Government securities | 967797.40 | 0.00 |
| | of which: Other approved securities | 12.80 | 0.00 |
| | of which: Shares | 17356.14 | 0.00 |
| | of which: Debentures & Bonds | 38937.98 | 0.00 |
| | of which: Subsidiaries / Joint Ventures / Associates | 16036.33 | 0.00 |
| | of which: Others (Commercial Papers, Mutual Funds etc.) | 120985.97 | 0.00 |
| iii | Loans and advances | 3970058.11 | 0.00 |

| | | | |
|-----|--|-------------------|-------------|
| | of which: Loans and advances to bank | 0.00 | 0.00 |
| | of which: Loans and advances to customer | 0.00 | 0.00 |
| iv | Fixed assets | 27341.23 | 0.00 |
| v | Other assets | 127740.26 | 0.00 |
| | of which: Goodwill and intangible assets | 0.00 | 0.00 |
| | of which: Deferred tax assets | 0.00 | 0.00 |
| vi | Goodwill on consolidation | 0.00 | 0.00 |
| vii | Debit balance in Profit & Loss account | 0.00 | 0.00 |
| | Total Assets | 6595045.33 | 0.00 |

Step: 2

| | Particulars | Balance sheet as in financial statements | Balance sheet under regulatory scope of consolidation | Ref No. |
|------------|--|--|---|---------|
| A | Capital & Liabilities | | | |
| i | Paid-up Capital | 4306.76 | 0.00 | |
| a | of which: Amount eligible for CET1 | 4306.76 | 0.00 | A |
| | of which: Amount eligible for AT1 | 0.00 | 0.00 | |
| ii | Reserves & Surplus | 355549.99 | 0.00 | |
| Schedule 2 | STATUTORY RESERVE | 81193.64 | 0.00 | B |
| | CAPITAL RESERVE | 19439.69 | 0.00 | C |
| | SHARE PREMIUM | 77144.26 | 0.00 | D |
| | General Reserve | 122403.91 | 0.00 | E |
| | Special Reserves u/s 36(i)(viii)(a) of I.T.Act,1961 | 2539.46 | 0.00 | F |
| | Special Reserve u/s 36(I)(VIII) of I.T. act | 33213.03 | 0.00 | G |
| | Reserves & Surplus revenue & other reserves investment reserve account | 0.00 | 0.00 | H |
| | Foreign Currency Translation Reserve | 18359.19 | 0.00 | I |
| | Statutory Reserve (Foreign) | 1256.81 | 0.00 | J |
| | Unallocated Profit | 0.00 | 0.00 | K |
| | Total Capital | 359856.75 | 0.00 | |
| ii | Deposits | 5688943.89 | 0.00 | |
| Schedule 3 | Demand Deposit from Bank | 22545.09 | 0.00 | |
| | Demand Deposit from Others | 477958.77 | 0.00 | |
| | SAVINGS BANK DEPOSITS | 964374.38 | 0.00 | |

| | | | | |
|--------------------------|---|-------------------|-------------|---|
| | Term Deposit from banks | 1058243.65 | 0.00 | |
| | Term Deposit from Others | 3165821.99 | 0.00 | |
| iii | Borrowings | 368129.69 | 0.00 | |
| Schedule 4 | RBI (u/s 19 of RBI Act) | 20000.00 | 0.00 | |
| | State Bank of India | 0.00 | 0.00 | |
| | Notified Banks | 0.00 | 0.00 | |
| | Other Banks | 20224.49 | 0.00 | |
| | Nationalized banks | 0.72 | 0.00 | |
| | I.D.B.I. | 0.37 | 0.00 | |
| | S.I.D.B.I. | | 0.00 | |
| | | 3.85 | | |
| | NABARD | 16.60 | 0.00 | |
| | Exim Bank | 0.00 | 0.00 | |
| | CBLO Borrowings | 0.00 | 0.00 | |
| | Innovative Perpetual Debt Instruments (IPDI) | 19117.00 | 0.00 | U |
| | Subordinated Bonds | 94900.00 | 0.00 | T |
| Borrowings outside India | 213866.66 | 0.00 | V | |
| iv | Other liabilities & provisions | 178115.01 | 0.00 | |
| Schedule 5 | of which : Bills Payable | 15572.03 | 0.00 | |
| | of Which : Inter Office Adjustment (Net) | 9361.38 | 0.00 | |
| | of Which : Interest Accrued | 37250.09 | 0.00 | |
| | of Which : Contingent Provision against Standard Advances | 24014.48 | 0.00 | X |
| | of Which : Other (including provision) | 91917.01 | 0.00 | W |
| | Total | 6595045.33 | 0.00 | |
| B | Assets | | | |
| i | Cash and balances with Reserve Bank of India | 186290.94 | 0.00 | |
| | Balance with banks and money at call and short notice | 1122488.18 | 0.00 | |
| ii | Investments | 1161126.61 | | |
| Schedule 8 | Govt. Securities | 967797.40 | 0.00 | N |
| | Other approved securities | 12.8 | 0.00 | O |
| | Shares | 17356.14 | 0.00 | P |
| | Debentures & Bonds | 38937.98 | 0.00 | Q |
| | Subsidiaries and/or JVs India & ABROAD | 16036.33 | 0.00 | R |
| | Other investments | 120985.97 | 0.00 | S |
| iii | Loans and advances | 3970058.11 | | |
| | BILLS PURCHASED & DISCOUNTED | 530180.22 | 0.00 | |
| | CASH CREDITS, OVERDRAFTS & LOANS REPAYABLE ON DEMAND | 1786487.20 | 0.00 | |

| | | | | |
|----------------|--|-------------------|-------------|---|
| | TERM LOANS | 1653390.68 | 0.00 | |
| iv | Fixed assets | 27341.23 | 0.00 | |
| v | Other assets | 127740.26 | 0.00 | |
| Schedule 11 | of which: Goodwill and intangible assets | 0.00 | 0.00 | L |
| | Out of which: Goodwill | 0.00 | 0.00 | |
| | Other intangibles (excluding MSRs) | 127740.26 | 0.00 | |
| | Deferred tax assets | 0.00 | 0.00 | M |
| vi | Goodwill on consolidation | 0.00 | 0.00 | |
| vii | Debit balance in Profit & Loss account | 0.00 | 0.00 | |
| | Total Assets | 6595045.33 | 0.00 | |

Table DF -13 Main Features of Regulatory Capital Instruments:

Disclosures pertaining to debt capital instruments and the terms and conditions of equity and debt capital instruments have been disclosed separately on the Bank's website under the 'Regulatory Disclosures Section'. [Click here](#) to access the disclosures.

Table DF-14: Full Terms and Conditions of Regulatory Capital Instruments

The details of Capital instruments are separately disclosed on the Bank's website under below mentioned links:

| Sr. No | Instruments |
|--------|--|
| 1 | TIER I IPDI SR – I |
| 2 | TIER I (IPDI) SR –II |
| 3 | TIER I (IPDI) SR –III |
| 4 | TIER I (IPDI) SR –IV |
| 5 | BOND SERIES – IV (LOWER) |
| 6 | BOND SERIES – V (LOWER) |
| 7 | BOND SERIES – VI (LOWER) |
| 8 | BOND SERIES – VII (UPPER) |
| 9 | BOND SERIES – VIII (UPPER) |
| 10 | BOND SERIES –IX (UPPER) |
| 11 | BOND SERIES –X (LOWER) |
| 12 | BOND SERIES –XI (UPPER) |
| 13 | BOND SERIES –XII - (UPPER) |
| 14 | BOND SERIES –XIII - (UPPER) |
| 15 | BOND SERIES –XIV - (UPPER) |
| 16 | BOND SERIES –XV - (UPPER) |
| 17 | BOND SERIES – XVI - (UPPER) |
| 18 | BOND SERIES – XVII - (UPPER) |
| 19 | MTN Bonds – (UPPER) |

Table DF-15: Disclosure Requirements for Remuneration

As per the RBI guideline only Private sector and foreign banks operating in India are required to make disclosure on remuneration on an annual basis. As Bank of Baroda is a Public Sector bank the Table DF -15 is not applicable to us.