BASEL- III DISCLOSURES – QUARTER ENDED 31ST DECEMBER 2015

Table DF 2 - CAPITAL ADEQUACY

Qualitative disclosures

Bank is already geared up to adopt global best practices while implementing risk management stipulations that are in conformity with the Basel II and Basel III framework.

Comprehensive risk management architecture is in place to address various issues concerning Basel II and Basel III. A quarterly review is carried out to assess the capital need of the Bank, keeping in view the anticipated growth in Risk Weighted Assets, Market Risk and Operational Risk.

Bank maintains capital as a cushion towards the risk of loss in value of exposure, businesses, etc., to protect the interest of stake holders, more particularly, depositors.

Bank has system in place for assessing the capital requirements based on current and future business activities and monitoring the same on an ongoing basis. The bank considers that capital availability is the central theme in the whole process and its computation is relatable to policy, strategy, business level/composition, and Supervisory concern and Disclosure issues. Towards this, bank has evolved a well laid down Internal Capital Adequacy Assessment Process (I-CAAP) framework and carries out capital calculation under Pillar-2 of Basel II and also of Basel-III at periodical intervals besides Pillar 1 Capital calculation. The bank has formulated Stress Testing policy to measure impact of adverse stress scenarios on the adequacy of capital at periodical intervals.

In line with RBI guidelines, the bank has adopted following approaches for implementation of New Capital Adequacy Framework – Basel II.

- Standardised Approach for credit risk
- Basic Indicator Approach for operational risk
- Standardised Duration Approach for market risk

Though the bank has implemented the Standardized Approach of credit risk, yet the bank shall continue its journey towards adopting Internal Rating Based Approaches.

Capital requirements for credit risk:

Amt. in Lakhs

- Portfolios subject to standardised approach @ 9%	458130.50
- Securitisation exposures	Nil

Capital requirements for market risk: Standardised duration approach

Capital Charge on account of General Market Risk	**Amt. in Lakhs**
- Interest rate risk	29029.15

- Foreign exchange risk (including gold)	120.00
- Equity risk	3157.59

Capital requirements for operational risk:

	Amt. in Lakhs
Basic indicator approach	28992.53

Total and Tier 1 capital ratio for the Bank:

Total Capital to Risk Weighted Assets Ratio as per Basel III	10.68%
Common Equity Tier I Capital to Risk Weighted Assets Ratio as per Basel III	8.14%
Tier I Capital to Risk Weighted Assets Ratio as per Basel III	8.14%

Table DF 3 - CREDIT RISK : GENERAL DISCLOSURES

Qualitative Disclosures

A. DEFINITIONS OF PAST DUE AND IMPAIRED:

The Bank follows the basic prudential guidelines issued by the RBI on classification of Non-Performing Asset (NPA) as under :

a) Interest and / or installment of principal remain overdue for a period of more than 90 days in respect of a term loan.
b) The account remains 'out of order' if the outstanding balance remains continuously in excess of sanctioned limit / DP for more than 90 days and / or 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 (OD/CC).
c) The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted.
d) The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops.
e) The installment of principal or interest thereon remains overdue for one crop season for long duration crops.
f) The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of guidelines on securitization dated May 7, 2012.
g) In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remains unpaid for a period of 90 days from the specified due date for repayment.

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

Here, `Overdue' mean any amount due to the Bank under any credit facility, if it is not paid on the due date fixed by the Bank.

In addition to above, an account may also be classified as NPA in terms of the following:

Where the interest charged during any quarter is not serviced fully within 90 days from the end of the quarter, the account is classified as Non-performing asset and ceases to generate income for the bank.

The classification of an asset as NPA should be based on the record of recovery. Bank should not classify an advance account as NPA merely due to the existence of some deficiencies which are temporary in nature such as non-availability of adequate drawing power based on the latest available stock statement, balance outstanding exceeding the limit temporarily, non-submission of stock statements and non-renewal of the limits on the due date, etc. In the matter of classification of accounts with such deficiencies banks may follow the following guidelines:

i) Banks should ensure that drawings in the working capital accounts are covered by the adequacy of current assets, since current assets are first appropriated in times of distress. Drawing power is required to be arrived at based on the stock statement which is current. However, considering the difficulties of large borrowers, stock statements relied upon by the banks for determining drawing power should not be older than three months. The outstanding in the account based on drawing power calculated from stock statements older than three months, would be deemed as irregular.
A working capital borrowal account will become NPA if such irregular drawings are permitted in the account for a continuous period of 90 days even though the unit may be working or the borrower's financial position is satisfactory.

ii) Regular and ad hoc credit limits need to be reviewed/ regularised not later than three months from the due date/date of ad hoc sanction. In case of constraints such as non-availability of financial statements and other data from the borrowers, the branch should furnish evidence to show that renewal/ review of credit limits is already on and would be completed soon. In any case, delay beyond six months is not considered desirable as a general discipline. Hence, an account where the regular/ ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/ date of ad hoc sanction will be treated as NPA.

Besides above, Bank also follows the guidelines issued by RBI in respect of classification of assets under a) Restructured accounts, b) Project under implementation involving time overrun, c) Post shipment Suppliers' Credit. d) Export Project Finance, e) Take over Finance, f) Govt. guaranteed Advance, g) Advance under Rehabilitation approved by BFIR / TLI, h) Advances under Debt Waiver & Debt Relief Scheme 2009, i) Sale of Financial Assets to Securitization Company /Reconstruction Company, j) Purchase/ Sale of Non-Performing Financial Assets, k) Up-gradation of accounts, l) Accounts regularized near about the Balance Sheet date etc.

B. CREDIT RISK MANAGEMENT AND OBJECTIVES:

The main objective of Credit Risk Management Department is to effectively identify, assess, measure, and manage the credit risk exposure of the Bank, with a view to contain it within desired limits in relation to the risk appetite of the Bank and commensurate with the availability of Capital. In doing so, the Bank's Credit Risk philosophy aims at minimizing risk and maintaining it within the levels which shall ensure safety of the Bank's financial resources, including stakeholders' equity and, at the same time, also ensure a steady and healthy financial growth.

STRATEGIC POLICY OF THE BANK - CREDIT RISK:

The Bank has a comprehensive and well defined Loan Policy which covers various aspects of strategic planning. The loan policy of the Bank is reviewed from time to time, depending on requirements of the changes in loan portfolio and general economic and market scenario. The loan policy is also subjected to a comprehensive review by the Board at least once a year. The loan policy of the Bank addresses, among other things:

- Exposure ceilings and prudential caps in different industry segments and borrower categories.
- Pricing based on risk profile linked to credit ratings and/or retail segments.
- Guidelines relating to procedures and systems for appraisal, sanction, and monitoring of loans and modes of dispensation of credit.
- Credit Rating framework.
- Inspection mechanism and compliance of regulatory and policy guidelines.

CREDIT RISK MANAGEMENT ARCHITECTURE:

- The organizational structure of the Bank for Credit Risk Management function has the Board of Directors at the Apex level that has the overall oversight of management of risks.
- The Risk Management Committee (RMC) which is the sub-committee of the Board headed by the Chairman & Managing Director devises the policy and strategy for integrated risk management including credit risk.
- At the operational level, the Credit Risk Management Committee (CRMC) manages the credit risk. The main function includes implementation of credit risk management policies approved by the Board, monitoring credit risk on a bank wide basis, recommending to the board for its approval all policies relating to credit risk management, prudential limits on credit exposures, portfolio management, loan products etc. There is a structured and standardized credit approval process including a comprehensive credit appraisal procedure. In order to assess the credit risk associated with any financing proposal, the Bank assesses a variety of risks relating to the borrower and the relevant industry.
- The Risk Management Department (RMD) headed by the General Manger, measures, controls and manages credit risk on bank wide basis within the limits set by the Board and enforces compliance with risk parameters set by Board/RMC/CRMC. The RMD is duly supported by Credit Risk Management Cell, Market Risk Management Cell and Operations Risk Management Cell.
- The Inspection Department as well as Credit Monitoring Department headed by a General Manager monitor the quality of loan portfolio identifies problems and takes steps to correct deficiencies. Loan review / credit audit is undertaken by the Credit Audit function.

TOOLS USED FOR CREDIT RISK MANAGEMENT / MITIGATION

- Credit Approving Authority – Delegation of Powers. The Bank has a well-defined scheme of delegation of powers with a multi-tier risk based approving system, which is reviewed periodically and revised as and when necessary to meet the compulsions of business environment.
- Prudential Limits on various aspects of credit / investment like Single / Group borrower limits for various types of borrowers are in place.
- Risk Rating/Pricing - The bank has introduced rating models for various segments, which serve as a single point indicator of diverse risk factors of a counter party and support credit and pricing decisions.
- Credit Audit/Loan review mechanism is an effective tool for constantly evaluating the quality of loan book and to bring about qualitative improvements in credit administration
- Portfolio Management - to start with, the bank has introduced a simple portfolio-monitoring framework. Going forward the bank will be graduating to a more sophisticated Portfolio Management model.
- The Bank accepts a range of collaterals and techniques to mitigate the credit risks to which they are exposed to, provided the collaterals are legally enforceable and the Bank has a priority claim on the sale proceeds of the collaterised assets in the case of obligor's default or occurrence of adverse credit events.

RISK MEASUREMENT

At present Credit Risk is assessed through Risk rating at the individual level and through Risk Weighting of the assets at the portfolio level and capital is maintained based on Risk Weights.

Total gross credit risk exposures

	Category	**Amt. in Lakhs**
1	Fund Based Credit Exposures	6490060.91
2	Non Fund Based Credit Exposures	422386.85

Geographic distribution of exposures

	Category	**Amt. in Lakhs**
1	**Overseas** - Fund Based Credit Exposures	NIL
	- Non Fund Based Credit Exposures	NIL
2	**Domestic** - Fund Based Credit Exposures	6490060.91
	- Non Fund Based Credit Exposures	422386.84

INDUSTRY TYPE DISTRIBUTION OF EXPOSURES

Amount in Lacs

INDUSTRY	FUNDED	NON FUND	TOTAL
A.MINING & QUARRYING	**55485.96**	**10519.87**	**66005.83**
A.1 COAL/HARD LIGNITE/PEAT	180.27	9957.55	10137.82

INDUSTRY	**FUNDED**	**NON FUND**	**TOTAL**
A.2 MINING OTHERS	55305.69	562.33	55868.02
B.FOOD PROCESSING	**92829.81**	**1151.45**	**93981.27**
B.1 SUGAR	13743.49	291.94	14035.43
B.2 EDIBLE OILS & VANASPATI	8534.15	17.73	8551.89
B.3 TEA	1573.83	0.00	1573.83
B.4 COFFEE	5.19	0.00	5.19
B.5 FOOD PROC.- OTHERS	68973.15	841.78	69814.93
C.BEVERAGES & TOBACCO	**42021.33**	**676.24**	**42697.57**
C.1 TABACCO & TOBACCO PROD.	50.85	0.00	50.85
C.2 BEVERAGES & TOBACCO-OTHERS	41970.48	676.24	42646.72
D.TEXTILES	**142138.74**	**1360.82**	**143499.56**
D.1 COTTON	85470.46	17.88	85488.34
D.1.1 Out of above SPINNING	80380.66	16.10	80396.76
D.2 JUTE	274.00	0.00	274.00
D.2.1 Out of above SPINNING	163.81	0.00	163.81
D.3 HANDICRAFT/KHADI (NPS)	1476.82	2.68	1479.50
D.3.1 Out of above SPINNING	96.60	0.00	96.60
D.4 SILK	4127.77	482.36	4610.13
D.4.1 Out of above SPINNING	3078.28	4.30	3082.58
D.5 WOOLEN	1453.19	2.23	1455.42
D.5.1 Out of above SPINNING	806.54	2.23	808.77
D.6 TEXTILE-OTHERS	49336.50	855.68	50192.18
E.LEATHER & LEATHER PRODUCTS	**13274.62**	**289.27**	**13563.89**
F.WOOD & WOOD PRODUCTS	**7328.66**	**2170.67**	**9499.33**
G.PAPER & PAPER PRODUCTS	**25545.75**	**828.16**	**26373.91**
H.PETRO./COAL/NUCLEAR FUELS	**7689.79**	**52.91**	**7742.70**
I.CHEMICALS & CHEMICAL PROD.	**30190.31**	**334.79**	**30525.10**
I.1 FERTILISERS	7924.65	0.00	7924.65
I.2 DRUGS AND PHARMA.	16321.74	6.60	16328.34
I.3 PETRO-CHEMICALS	1636.77	47.12	1683.89
I.4 CHEMICALS & CHEMICAL PROD.- OTHERS	4307.15	281.07	4588.22
J.RUBBER,PLASTIC & ITS PROD.	**16453.29**	**2614.74**	**19068.03**
K.GLASS & GLASSWARE	**1053.11**	**190.73**	**1243.84**
L.CEMENT AND CEMENT PROD.	**6688.91**	**7985.65**	**14674.56**
M.BASIC METAL & METAL PROD.	**222642.65**	**5678.46**	**228321.11**
M.1 IRON & STEEL	188717.02	2747.87	191464.89
M.2 OTHER METAL & METAL PROD.	33925.63	2930.60	36856.23
N.ALL ENGINEERING	**42510.35**	**7940.36**	**50450.71**
N.1 ELECTRONICS	2171.47	193.45	2364.92
N.2 ALL ENGG. - OTHERS	40338.88	7746.91	48085.79
O.VEHCLES/V.PARTS/TPT.EQPM.	**17109.93**	**11734.94**	**28844.87**

INDUSTRY	FUNDED	NON FUND	TOTAL
P.GEMS & JEWELLARY	**24596.53**	**126299.18**	**150895.72**
Q.CONSTRUCTIONS	**73808.98**	**39710.22**	**113519.20**
R.INFRASTRUCTURE	**1884079.11**	**56734.62**	**1940813.73**
R.1 TRANSPORT	242321.21	26125.51	268446.72
R.1.1 -RAILWAYS	11850.68	22186.59	34037.27
R.1.2 -ROADWAYS	192432.06	3262.31	195694.37
R.1.3 -OTHERS	0.00	301.24	301.24
R.1.4 -WATERWAYS	24450.58	34.61	24485.19
R.1.5 -OTHERS	13587.89	340.75	13928.64
R.2 ENERGY	1248980.38	13161.70	1262142.08
R.2.1 -ELEC(GEN/TRMN/DTB)	1248938.10	13106.45	1262044.55
R.2.2 -OIL (STRG/PIPELINES)	42.16	55.25	97.41
R.2.3 -GAS/LNG STRG/PIPELINE	0.12	0.00	0.12
R.3 TELECOMMUNICATION	64217.92	1107.04	65324.96
R.4 INFRA-OTHERS	328559.60	16340.37	344899.97
R.4.1 -WATER SANITATION	117538.37	8851.16	126389.53
R.4.2 -SOCIAL & COMM.	211021.23	7489.21	218510.44
S.OTHER INDUSTRIES	**13152.45**	**3373.86**	**16526.31**
T.RESIDUARY	**3771460.61**	**142739.88**	**3914200.49**
Education	22697.14	24.00	22721.14
Aviation	75671.97	0.00	75671.97
Others	3673091.50	142715.88	3815807.38
TOTAL	6490060.91	422386.85	6912447.76

Significant exposure:

Industry where the Total Exposure is more than 5% of Total Fund based and Non-fund based exposure:

Amt. in Lakhs

S.No.	Industry	Exposure
1	Infrastructure	1940813.73
2	Residuary	3914200.49

RESIDUAL CONTRACTUAL MATURITY BREAKDOWN OF ASSETS

Amt. in Lakhs

Maturity Pattern's (Time Buckets)	Loans & Advances	Investments (Book Value)	Foreign Currency		Deposits	Borrowings
			Liabilities	Assets		
Next 1 Day	156352	0	5733	35540	156878	89500
2 Days To 7 Days	117470	12331	176	1433	95190	0
8 Days To 14 Days	53275	5226	501	2102	27276	0
15 Days To 28 Days	137798	0	732	4867	55177	0
29 Days To 3 Months	546278	147810	3345	18239	1998155	0

Maturity Pattern's (Time Buckets)	Loans & Advances	Investments (Book Value)	Foreign Currency		Deposits	Borrowings
			Liabilities	Assets		
Over 3 Months To 6 Months	338837	28529	4910	3492	469984	70002
Over 6 Months To 1 Year	458574	20403	6404	0	2154942	1900
Over 1 Year To 3 Years	1788469	307563	8875	0	1988335	0
Over 3 Years To 5 Years	1238479	417425	14943	8994	899153	0
Over 5 Years	1197519	1467389	0	0	847112	0
GRAND TOTAL	**6033051**	**2406676**	**45619**	**74667**	**8692202**	**161402**

Amount of NPAs (Gross)

S.No	Category	Amt. in Lakhs
1	Substandard	116073.01
2	Doubtful 1	122935.68
3	Doubtful 2	99089.41
4	Doubtful 3	4999.06
5	Loss	316.84

Net NPAs

Amt. in Lakhs

Net NPAs	236495.92

NPA Ratios

	Category	Percent
1	Gross NPAs to Gross advances	5.29%
2	Net NPAs to Net advances	3.71%

Movement of NPAs (Gross)

Amt. in Lakhs

Opening Balance	308219.35
Additions	92137.11
Reductions	56942.46
Closing Balance	343414.00

Movement of Provisions for NPAs

Amt. in Lakhs

SL.NO.	PROVISION	Provisions for NPAs
	OPENING BALANCE (A)	**100801.00**
ADD :	**Provision made during the Period :**	**13791.00**
Less :		
a)	Upgraded Accounts	2829.00

b)	Write Off / Written Back of Excess Provision *	6862.00
	Sub-Total (B)	**9691.00**
	CLOSING BALANCE (C)	**104901.00**

Details of write offs & recoveries that have been booked directly to the Income statement

Amt. in Lakhs

Interest On Loans & Advances Technically Written Off Cases	1210.32
Miscellaneous Income-Recovery In Technical Write Off A/Cs	2689.27
TOTAL	**3899.59**

Amount of Non-Performing Investments

Amt. in Lakhs

Amount of Non-Performing Investments	8026.01

Amount of provisions held for non-performing investments

Amt. in Lakhs

Provisions held for non-performing investments	5845.01

Movement of provisions for depreciation on investments

Amt. in Lakhs

Opening Balance	482.90
Provisions made during the period	574.69
Write-off	Nil
Write-back of excess provisions	917.98
Closing Balance	139.61

Major Industry Breakup of NPA

Amt. in Lakhs

Industry	**Gross NPA**	**Provision for NPA**
NPA in Top 5 Industries	279414.23	88077.42

Geography wise Distribution of NPA & Provision

Amt. in Lakhs

Industry	**Gross NPA**	**Provision for NPA**	**Provision for Standard Advances**
Domestic	343414.00	104901.00	56792.00
Overseas	0.00	0.00	0.00

Table DF 4 - CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH

Qualitative Disclosures

1. The Bank has approved using the general rating of the following credit rating agencies for risk weighting under the standardized approach for CRAR calculations CRISIL, ICRA, India Rating, SMERA, BRICKWORK and CARE for domestic claims and S&P, FITCH and Moody's for claims on non-resident corporates, foreign banks and foreign sovereigns.

The ratings of all these agencies are being used for all exposures subjected to rating for risk weighting purposes under the standardized approach for CRAR calculations under Basel-II & Basel III as defined by RBI.

2. The process used to transfer public issue ratings on to comparable assets in the banking book is as per regulatory requirements of RBI. The public ratings published by the rating agencies on their website are used for this purpose. Only, ratings which are in force as per monthly bulletin of the concerned rating agency and which have been reviewed at least once during the previous 15 months are used.

3. For all the exposures on a particular counterparty, bank uses the rating of only one agency, even though these exposures are rated by more than one with exception being where each of the exposures is rated by only one of the approved rating agencies.

4. To be eligible for risk-weighting purposes, it is ensured that the external credit assessment takes into account and reflects the entire amount of credit risk exposure the bank has with regard to all payments owed to it i.e., both principal and interest. External assessments for one entity within a corporate group is not used to risk weight other entities within the same group.

5. For assets that have contractual maturity less than or equal to one year, short term ratings are used while for other assets, long term ratings are used. For Cash Credit exposures long term ratings are taken.

6. Where an issuer has a long-term exposure with an external long term rating that warrants a risk weight of 150%, all unrated claims on the same counterparty, whether short-term or long-term, also receive a 150% risk weight, except incases where credit risk mitigation techniques are used for such claims. Similar is the case with short-term rating.

7. The **Short**-term ratings assigned by the approved rating agencies are directly mapped to the risk weights under the Standardised Approach for short-term exposures.

A mechanism for mapping of internal ratings of short term loans (up to 1 year) with Short Term ratings of External Credit Rating Agencies, on similar lines as risk weight mapping given by RBI, is already in vogue in our bank.

Further, a mechanism for mapping of internal ratings of Long term loans with Long Term Ratings of External Credit Rating Agencies, on the similar lines as risk weight mapping given by RBI has also been approved by the Board. The mapping shall be used/ applied for capital adequacy purposes only in cases of unrated Long term exposures.

8. If there are two ratings accorded by eligible credit rating agencies, which map into different risk weights, the higher risk weight is applied. If there are three or more ratings accorded by eligible credit rating agencies with different risk weights, the ratings corresponding to the two lowest risk weights are referred to and the higher of those two risk weights are applied, i.e., the second lowest risk weight.

9. The RW of the investment claim is based on specific rating by a chosen credit rating agency, where the claim is not an investment in a specific assessed issue:

i) the rating applicable to the specific debt (where the rating maps into a risk weight lower than that which applies to an unrated claim) is applied to the bank's un-assessed claim only if this claim ranks *pari passu* or senior to the specific rated debt in all respects and the maturity of the un-assessed claim is not later than the maturity of the rated claim**, e**xcept where the rated claim is a short term obligation.

ii) if either the issuer or single issue has been assigned a rating which maps into a risk weight equal to or higher than that which applies to unrated claims, an unrated claim on the same counterparty, is assigned the same risk weight as is applicable to the rated exposure, if this claim ranks *pari passu* or junior to the rated exposure in all respects.

<u>Exposure amounts after risk mitigation subject to the standardized approach</u>

Amt. in Lakhs

Risk Weight Category	**Rated Exposure**	**Un-Rated Exposure**	**Exposure After Credit Risk Mitigation**
Below 100 % risk weight	1396475.85	2708825.43	4105301.28
100 % risk weight	388942.33	1787754.54	2176696.87
More than 100 % risk weight	414710.04	339381.39	754091.43
Deducted	0.00	0.00	0.00
TOTAL	**2200128.22**	**4835961.36**	**7036089.58**

Tabe DF 13 – Main features of Regulatory Capital Instruments

Sr. No	Disclosure template for main features of regulatory capital instruments	Series- VIII= 150 crore	Series- IX= 100 crore	Series- X =400 crore	Series- XI = 175 crore	Series - XII =200 crore	SERIES- XIII =300 crore
1	Issuer	Punjab & Sind Bank	Punjab & Sind Bank	Punjab & Sind Bank	Punjab & Sind Bank	Punjab & Sind Bank	Punjab & Sind Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE608A09072	INE608A09080	INE608A09098	INE608A09114	INE608A09122	INE608A09130
3	Governing law(s) of the instrument	Secuities Contract Regulation Act 1956, Companies Act 1956, Banking companies(acquisition and transfer of undertakings) act 1970, Depositories Act 1996, GOI, RBI, SEBI, Concerned Stock Exchanges.provisions contained in annexure C and/or annexure D to the companies (Central Government's) General rules and forms 1956.	Secuities Contract Regulation Act 1956, Companies Act 1956, Banking companies(acquisition and transfer of undertakings) act 1980, Depositories Act 1996, GOI, RBI, SEBI, Concerned Stock Exchanges. .provisions contained in annexure C and/or annexure D to the companies (Central	Secuities Contract Regulation Act 1956, Companies Act 1956, Banking companies(acquisition and transfer of undertakings) act 1980, Depositories Act 1996, GOI, RBI, SEBI, Concerned Stock Exchanges. .provisions contained in	Secuities Contract Regulation Act 1956, Companies Act 1956, Banking companies(acquisition and transfer of undertakings) act 1980, Depositories Act 1996, GOI, RBI, SEBI, Concerned Stock Exchanges. .provisions contained in	Secuities Contract Regulation Act 1956, Companies Act 1956, Banking companies(acquisition and transfer of undertakings) act 1980, Depositories Act 1996, GOI, RBI, SEBI, Concerned Stock Exchanges. .provisions contained in	Secuities Contract Regulation Act 1956, Companies Act 1956, Banking companies(acquisition and transfer of undertakings) act 1980, Depositories Act 1996, GOI, RBI, SEBI, Concerned Stock Exchanges.provisions contained in annexure C and/or annexure D to the companies (Central Government's) General rules and forms 1956.

			Government's) General rules and forms 1956.	annexure C and/or annexure D to the companies (Central Government's) General rules and forms 1956.	annexure C and/or annexure D to the companies (Central Government's) General rules and forms 1956.	annexure C and/or annexure D to the companies (Central Government's) General rules and forms 1956.	
	Regulatory treatment						
4	Transitional Basel III rules	Tier II	Tier II	Tier II	Tier II	Tier II	Tier II
5	Post-transitional Basel III rules	Tier II	Tier II	Tier II	Tier II	Tier II	Tier II
6	Eligible at solo/group/ group & solo	Solo	Solo	Solo	Solo	Solo	Solo
7	Instrument type	Tier II debt instruments	Tier II debt instruments	Tier II debt instruments	Tier II debt instruments	Tier II debt instruments	Tier II debt instruments
8	Amount recognised in regulatory capital (Rs. in Crores	Rs 0 Crores	Rs 40 Crores	Rs 240 Crores	Rs 105 Crores	Rs 140 Crores	Rs 210 Crores
9	Par value of instrument	Rs. 1000000	Rs. 1000000	Rs. 1000000	Rs. 1000000	Rs. 1000000	Rs. 1000000
10	Accounting classification	Liability (Borrowing)	Liability (Borrowing)	Liability (Borrowing)	Liability (Borrowing)	Liability (Borrowing)	Liability (Borrowing)
11	Original date of issuance	31.07.2006	15.02.2008	22.09.2008	26.06.2009	11.01.2010	24.06.2011
12	Perpetual or dated	Dated	Dated	Dated	Dated	Dated	Dated

13	Original maturity date	30.04.2016	15.05.2018	22.04.2019	26.04.2019	11.04.2020	24.10.2021
14	Issuer call subject to prior supervisory approval	No	No	No	No	No	Yes
15	Optional call date, contingent call dates and redemption amount	NA	NA	NA	NA	NA	24.06.2017 redemption at par
16	Subsequent call dates, if applicable	NA	NA	NA	NA	NA	NA
	Coupons / dividends						
17	Fixed or floating dividend/coupon	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed
18	Coupon rate and any related index	9.25%	9.10%	11.05%	8.70%	8.70%	9.73%
19	Existence of a dividend stopper	No	No	No	No	No	No
20	Fully discretionary, partially discretionary or mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	**No**	**No**	**No**	**No**	**No**	No
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible	Nonconvertible

24	If convertible, conversion trigger(s)	NA	NA	NA	NA	NA	NA
25	If convertible, fully or partially	NA	NA	NA	NA	NA	NA
26	If convertible, conversion rate	NA	NA	NA	NA	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA	NA	NA	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA	NA	NA	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA	NA	NA	NA	NA
30	Write-down feature	NO	NO	NO	NO	NO	NO
31	If write-down, write-down trigger(s)	NA	NA	NA	NA	NA	NA
32	If write-down, full or partial	NA	NA	NA	NA	NA	NA
33	If write-down, permanent or temporary	NA	NA	NA	NA	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA	NA	NA	NA	NA

35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	UNSECURED LIABILITIES (depositors & general creditors))	UNSECURED LIABILITIES (depositors & general creditors))	UNSECURED LIABILITIES (depositors & general creditors))	UNSECURED LIABILITIES (depositors & general creditors))	UNSECURED LIABILITIES (depositors & general creditors))	UNSECURED LIABILITIES (depositors & general creeditors))
36	Non-compliant transitioned features	YES	YES	YES	YES	YES	YES
37	If yes, specify non-compliant features	Point of non-viability and maturity of the above mentioned bond is less than 10 years.	Point of non-viability.	Point of non-viability.	Point of non-viability and maturity of the above mentioned bond is less than 10 years.	Point of non-viability.	Point of non-viability.

LEVERAGE RATIO

The leverage ratio has been calculated using the definitions of capital and total exposure. The Bank's leverage ratio, calculated in accordance with the RBI guidelines is as follows:

Rs in Lakhs

PARTICULARS	AS ON 30.06.2015	AS ON 30.09.2015	AS ON 31.12.2015
Tier 1 Capital	471246.65	471247.00	476577.01
Exposure Measure	10936764.90	11032428.91	11255236.27
Leverage Ratio	4.31%	4.27%	4.23%