

BASEL II DISCLOSURES – SEPTEMBER 2012

Capital structure

Quantitative Disclosures

a) Summary information on the terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier I or in Upper Tier 2.

The Tier I capital of the Bank mainly consists of Share capital, free Reserves and certain specific reserves appropriated from the net profit earned by the bank. Innovative Perpetual Debt Instrument (IPDI) is also reckoned as Tier I Capital as per the RBI norms.

Tier II Capital consists of certain percentage of revaluation reserves, risk provision which are not netted off, Tier II and Upper Tier II Bonds. The terms and conditions of these bonds and the principles of reckoning them as capital funds are guided by RBI regulation.

₹ in Crs	
b) The amount of Tier 1 capital, with separate disclosure of	8678.44
• Paid-up share capital	601.95
• Reserves	7429.58
• Innovative instruments	773.00
• Other capital instruments	NIL
• Amounts deducted from Tier 1 capital, Equity investments in Associates (50%)	16.68
• Deferred Tax Asset (DTA)	109.41
(c) The total amount of Tier 2 capital (net of deductions from Tier 2 capital)	2971.06
(d) Debt capital instruments eligible for inclusion in Upper Tier 2 capital	
Total amount outstanding	819.70
Of which amount raised during the current year	NIL
Amount eligible to be reckoned as capital funds	819.70
(e) Subordinated debt eligible for inclusion in Lower Tier 2 capital	
Total amount outstanding	1925.00
Of which amount raised during the current year	NIL
Amount eligible to be reckoned as capital funds	1005.00
(f) Other deductions from capital :	NIL
(g) Total eligible capital.	11649.50

Capital Adequacy

Quantitative Disclosures:

(a) Capital Requirements for Credit Risk

₹ in crores

Portfolios subjected to standardized approach	8256.08
Securitization Exposures	NIL

(b) Capital requirements for Market Risk:

Standardised Duration Approach

₹ in crores

Interest Rate Risk	240.74
Foreign Exchange Risk	5.40
Equity Risk	85.61

(c) Capital Requirement for Operational Risk

Basic Indicator Approach

Rs. in crores

Capital Requirement as per Basic Indicator Approach	662.14
---	--------

(d) Total Capital Ratio for the Bank

Total Capital to Risk Weighted Assets Ratio as per New Capital Adequacy Framework	11.33
Tier I Capital to Risk Weighted Assets Ratio as per Basel -II	8.44
Total Capital to Risk Weighted Assets Ratio - as per Basel I norms	10.30
Tier I Capital to Risk Weighted Assets Ratio as per Basel -I	7.66

Prudential floor on capital required

Rs. in crores

Minimum capital required as per the revised framework	9249.96
Minimum capital required as per Basel I framework for credit and market risk. (80% of Basel I)	8167.77
Prudential floor- Higher of the above	9249.96

Credit Risk – General Disclosures

Quantitative Disclosures:

(b) Total Gross Credit Exposures:

(₹ in crs)

Fund based credit exposures	128794
Non-fund based credit exposures	12447

(c) Geographic distribution of credit exposures:

(₹ in crs)

Overseas:	
Fund based credit exposures	16997
Non-fund based credit exposures	138
Domestic:	
Fund based credit exposures	111797
Non-fund based credit exposures	12309

Exposure amounts after risk mitigation subject to standardized approach:

(₹ in crs)

Risk weight category	Exposure after Credit Risk Mitigation	Externally Rated Exposure after Credit Risk Mitigation	Unrated
Advances			
Below 100% Risk Weight	74651.83	27533.74	47118.09
100% Risk Weight	26490.14	19408.67	7081.47
More than 100% Risk Weight	14634.87	7465.41	7169.46
Deducted	--	--	--

Major Industries' exposure as on 30.09.2012

(₹ in crs)

Sl. No	Industry	Credit		Investments	Balance Outstanding
		Fund Based	Non Fund Based		
1	Infrastructure	15878	1283	65	17226
2	All Engineering	1411	3161	41	4613
3	Iron and Steel	4461	183	117	4761
4	Chemicals and Chemical products	1758	892	94	2744
5	Construction	1409	1778	39	3226
6	Textiles	1986	108	18	2112
7	Petroleum, Coal products and Nuclear Fuels	1948	547	25	2520
8	Gems and Jewellery	550	350	-	900
9	Cement and Cement Products	768	12	31	811
10	Paper & Paper products	310	15	-	325

Residual contractual maturity breakdown of assets ₹ in crores

Outflows	1 day	2 to 7 days	8 to 14 days	15 to 28 days	29 days and upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and Up to 5 years	Over 5 years	Total
5. Advances	5697.16	2266.18	1802.28	5150.26	11136.09	8717.29	11090.23	45825.28	16232.89	20876.91	128794.57
4. Investments (incl those under Repos but excl RR)	1700.00	64.28	33.37	0.00	478.76	714.47	1210.84	5275.82	8070.70	23547.46	41095.70

Interest rate in the Banking Book (IRRBB)	
Quantitative Disclosures	
The increase(decline) in earnings and economic value(or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring IRRBB, broken down by currency(where the turnover is more than 5% of the total)	As per EaR arrived for IRS statement submitted to RBI for 30.09.2012, EaR is at ₹464.70 Crs, the banking book with an expected change in interest rate by 1%. This is within the tolerance of ₹762.75 Crs or fixed by the bank.