ICBC 中国工商银行 孟买分行

2014-2015
Basel III: Pillar 3 Disclosures

INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
MUMBAI BRANCH

Basel III: Pillar 3 Disclosures *as at 31March 2015*
(Currency: Indian rupees in million)

1. Scope of Application & Capital Adequacy

The capital Adequacy framework is applicable to Industrial and Commercial Bank of China Limited Mumbai branch.

Qualitative Disclosures:

(a) List of group entities considered for consolidation: Not Applicable

(b) List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation: Not Applicable

Quantitative Disclosures:

(c) List of group entities considered for consolidation: Not Applicable

(d) The aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation i.e. that are deducted: Not Applicable

(e) The aggregate amounts (e.g. current book value) of the bank's total interests in insurance entities, which are risk-weighted: Not Applicable

(f) Any restrictions or impediments on transfer of funds or regulatory capital within the banking group: There are no restrictions or impediments on transfer of funds or regulatory capital within the banking group.

2. Capital Adequacy

Qualitative Disclosures:

(a) The Bank has a well-defined Internal Capital Adequacy Assessment Process (ICAAP) which covers methodology and detailed information on the on-going assessment of the Bank's key risks, measurement and mitigation of risks. It also provides an overview of the current and future capital requirements of the Bank based on growth projections and assessment of these risks. The focus of the ICAAP includes the Bank's capital planning, assessment and management of material risks and adequacy of capital under normal and stress conditions. The management and the functional departments/business units are actively involved in the identification of the sources of risk and the review of mitigations/controls in place.

Capital is the amount held or required to be held by the Bank to underpin the risk of loss in value of exposure, businesses etc. so as to protect the depositors and general creditors against losses. Capital funds are broadly classified as Tier I and Tier II Capital.

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 II:

- Tier I capital: - consists of funds from H.O. for the purpose of meeting capital adequacy norms & statutory reserves minus deferred tax asset.
- Tier II capital comprises of general loan loss provisions on standard assets, country risk and un-hedged foreign currency exposures.

Quantitative disclosures:

The Capital requirement for credit, market and operational risk and Tier I capital ratio of the Bank as on 31st March 2015 is as follows:

(Rs. in million)

	PARTICULARS	2014-15
A	**Capital requirement for credit risk**	
	- Portfolios subject to standardised approach	1,533
	- Securitisation exposures	-
B	**Capital requirement for market risk**	
	Standardised duration approach	
	-Interest rate risk	120
	-Foreign exchange risk	40
	-Equity risk	-
C	**Capital requirement for operational risk**	
	-Basic indicator approach	79
D	**Capital Adequacy ratio of the Bank (%)**	**27.72%**
E	**Tier I CRAR (%)**	**27.10%**

Risk Exposure and Assessment

The Bank is exposed to various risks such as credit risk, market risk, operational risk, Concentration Risk, Liquidity Risk, Interest Rate Risk, Reputation Risk, Strategic Risk, Compliance Risk, Legal Risk and Country Risk and the methodologies adopted for their identification, assessment, measurement, monitoring and control is envisaged in the ICAAP and various risk management policies of the Bank.

The Senior Management undertakes an annual assessment to ascertain whether the processes relating to the ICAAP implemented by the Bank successfully achieve the objectives. The senior management also receives and reviews the reports regularly to evaluate the sensitivity of the key assumptions and to assess the validity of the Bank's estimated future capital requirements. In the light of such an assessment, appropriate changes in the ICAAP are instituted to ensure that the underlying objectives are met.

General qualitative Disclosures:

Risk Management / Risk Management Committee

Bank has in place risk management and measurement systems for analysing the risk in loans and investments and instituted timely remedial measures through Risk Management Committee (RMC).

The RMC regularly oversees the Bank's risk management policies/practices under various risks viz. credit, operational and market risk etc. This committee comprises of top executives of Bank. The committee meets at regular intervals throughout the year to assess and monitor the level of risk under various Bank operations and initiate appropriate mitigation measures wherever necessary.

3. Credit Risk: General Disclosures

Qualitative Disclosures

Credit risk is defined as the inability of a borrower or counter-party to honour commitments under an agreement/contract, in relation to lending, trading, settlement and other financial transactions. Bank has fixed various exposure limits approved by the appropriate authority. These limits are being monitored on a regular basis.

Bank has a comprehensive credit manual for managing the credit risk. The credit manual aims to set a consistent framework and procedures to manage credit risk across the Bank and to take a well-balanced approach to risks and business opportunities. The manual serves as a practical guide and a common source of reference to the management and staff involved in lending activities of the Bank. The manual provides the information necessary to enable employees in credit business to carry out their duties with due care, efficiency, levels of control, cost effectiveness required by the management of the Bank and to reflect prevailing policies, practices, procedures and regulations.

Structure and Organization

The credit responsibilities are divided between the Marketing and Risk Management Departments. Marketing Department functions as front Office. Risk Management Department functions as the Middle and Back Office. The role of marketing and risk management are performed independently by separate individuals to avoid potential conflicts of interest and to gain a fair and objective view on the risks that the Bank is undertaking.

In addition, Credit Review Committee is a key part of credit organization structure. The Bank establishes the Credit Review Committee with a view to achieving a standard management of credit business. The Credit Review Committee making conclusion is served as a reference for General Manager to make final decision.

Non-Performing Asset (NPA)

An asset, including a leased asset, becomes non-performing when it ceases to generate income for the Bank. A non-performing asset (NPA) is a loan or an advance where:

- Interest and/ or installment of principal remain overdue for a period of more than 90 days in respect of a term loan,
- The account remains 'out of order', in respect of an Overdraft/Cash Credit (OD/CC),
- The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted,
- The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops,
- The installment of principal or interest thereon remains overdue for one crop season for long duration crops,
- 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 February 1, 2006.
- In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

'Out of Order' Status – 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'

'Overdue' – 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.

Credit Rating System

Credit rating represents the best estimate of the probability of default of the customer being graded in a span of one year. Bank has an internal credit rating system to assign credit ratings to the corporate customers. These grades act as a tool for determining the risk of customer and are also used for determining the pricing for the customer. All customers are assigned a credit grade based on the different risk parameters in the system. The credit rating system uses a combination of quantitative inputs and qualitative inputs to arrive at a credit rating.

Monitoring & Review

The periodic review of individual customer is a part of the post-lending management process. The Bank has set up a regular monitoring mechanism at the portfolio, customer and transaction level. Marketing department is responsible for monitoring credit risk at customer or transaction level. Risk Management Department is responsible for monitoring credit risk at portfolio level.

Concentration Risk

As a prudential measure aimed at better risk management and avoidance of concentration of credit risks, Bank has fixed limits on its exposure to specific industry or sectors and has prescribed regulatory limits on Bank's exposure to individual and group borrowers etc. The Bank avoids undue concentration of risk to a single sector, industry, region or large borrower/ connected group. Credit exposures to various segments of industry should meet the business objectives and portfolio targets of the Bank. These limits are reviewed and revised annually based on capital funds as of March of the previous financial year.

Quantitative disclosures:

Total Gross credit risk exposures including Geographic Distribution of Exposure

(Rs. in million)

Particulars	2014-15		
	Domestic	**Overseas**	**Total**
Fund Based	10,531	-	10,531
Non Fund Based *	12,528	-	12,528
Total	**23,059**	-	**23,059**

Industries wise exposure:

(Rs. in million)

		2014-15	
Sr. No.	**Type of the Industries**	**Fund Based**	**Non Fund Based**
1	Construction	2,471	-
2	Power	2,210	835
3	NBFC	1,670	-
4	Roads, Rails, Bridges etc.	1,200	-
5	Telecommunication	1,200	18
6	Textile	1,010	-
7	Chemicals	400	-
8	Manufacturing	180	-
9	Pharmaceuticals	100	-
10	Engineering	90	2
11	Banking	-	11,644
12	Steel	-	29
	Total	**10,531**	**12,528**

Movement of NPA's and Provision for NPA's

Gross NPAs in various categories (Substandard, doubtful, loss etc.):

(Rs. in million)

	Particulars	**2014-15**
A	Amount of NPA's (Gross)	-
B	Net NPA's	-
C	NPA's ratios	-
	Gross NPAs to gross advances	-
	Net NPAs to net advances	-
D	Movement of NPA's	-
	Opening Balance	-
	Additions	-
	Reductions	-
	Closing Balance	-
E	Movement of Provision for NPA's	-
	Opening Balance	-
	Provision made during the year	-
	Write offs	-
	Write back of excess provision	-
	Closing balance	-
F	Amount of Non performing investments and Provisions	-
	Amount of provisions held for Non performing investments	-
G	Movement of provisions for depreciation on investment	-
	Opening Balance	-
	Add: Provision made during the year	-
	Less: Write back of excess provisions	-
	Add: Amortisation of premium on HTM category	-
	Closing balance	-

Residual Contractual maturity breaks down of Assets

(Rs. in million)

MATURITY BUCKETS	Cash, balances with RBI and other Banks	Investment Securities	Loans and Advances	Other Assets including fixed assets
Next Day	605	-	-	-
2 TO 7 Days	77	-	-	-
8 TO 14 Days	-	-	14	61
15 to 28 days	-	-	10	-
29 days to 3 months	-	1,991	2,547	-
Over 3 months upto 6 months	-	100	1,855	26
over 6 months upto 12 months	-	431	924	-
Over 1 year to 3 years	-	-	1,996	-
Over 3 years to 5 years	-	-	975	-
Over 5 years	-	-	2,210	19
Total	**682**	**2,522**	**10,531**	**106**

4. Credit Risk: Disclosures for Portfolios Subject to the Standardised Approach

Qualitative Disclosures:

Bank uses the credit ratings of the eligible credit rating agencies, for assigning risk weights for credit risk as per the guidelines of the Reserve Bank of India. The facility provided by the Bank possesses rating assigned by an eligible credit rating agency; the risk weight of the claim is based on these ratings.

In accordance with the principles laid down in the Revised Framework from the Reserve Bank of India, Banks uses the ratings of the following domestic credit rating agencies for the purposes of risk weighting its domestic claims for capital adequacy purposes:

a) Credit Analysis and Research Limited;
b) CRISIL Limited;
c) FITCH India;
d) ICRA Limited; and
e) Brickwork Ratings India Pvt. Limited (Brickwork)

As per the guidelines from the Reserve Bank of India, Bank uses the ratings of the following international credit rating agencies for the purposes of risk weighting its international claims for capital adequacy purposes:
a. Fitch;
b. Moody's; and
c. Standard & Poor's

The transfer of public issue ratings onto comparable assets in the Banking Book is in line with the provisions advised in Reserve Bank of India's Master circular on New Capital Adequacy Framework.

Quantitative Disclosures:

The exposure under each credit risk category is as follows:

(Rs. in million)

Risk Bucket	2014-15
Below 100% Risk Weight	6,393
100% risk weight	15,522
More than 100% risk weight	4,594

5. Credit Risk Mitigation: Disclosures for Standardised Approaches

Qualitative Disclosures

Credit Risk Mitigation (CRM) allows the eligible credit risk mitigants to be recognised for regulatory capital purposes. Eligible credit risk mitigants like financial collateral, non-financial collateral and guarantees, are used to mitigate credit risk exposure. Bank recognises only those collaterals that are considered as eligible for credit risk mitigation as per RBI guidelines.

Quantitative Disclosures

(Rs. in million)

S. No.	Particulars	31.03.2015
1	Total exposure (after, where applicable, on- or off balance sheet netting) that is covered by eligible financial collateral after the application of haircuts for each separately disclosed credit risk portfolio	100
2	Total exposure (after, where applicable, on- or off-balance sheet netting) that is covered by guarantees/credit derivatives (whenever specifically permitted by RBI) for each separately disclosed portfolio	-

6. Securitisation Exposures: Disclosure for Standardised Approach

Qualitative and Quantitative disclosures:

The Bank does not have any Securitisation Exposure.

7. Market Risk in Trading Book

Market risk is defined as the risk of losses in on-balance sheet and off-balance sheet positions arising from movements in market prices. Market Risk Management include a well-drawn Market Risk Management policy, various risk limits identification, measurement monitoring control and mitigation of market risk in trading book. ALCO monitors all the risk limits periodically and manages the issues relating to market risk management.

The Bank does not trade in securities. Banks deals in securities only to maintain the SLR requirement as per RBI guidelines.

Currently Bank uses standardized duration method to arrive at the capital charge for Market Risk.

8. Operational Risk

Qualitative disclosures

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk.

The Bank has a management approved operational risk management policy in place The purpose of this policy is to establish explicit and consistent Operational Risk Management framework that would result in the systematic and proactive identification, assessment, measurement, monitoring, mitigation and reporting of the operational risks. The operational processes are well documented and laid down and all the transactions adhere to the processes and are reconciled and monitored systematically.

The Bank uses Basic Indicator Approach for calculating capital charge for Operational Risk.

9. Interest Rate Risk in the Banking Book (IRRBB)

Interest rate risk is the potential change in Net Interest Income or Economic Value of Equity caused by unexpected changes in market interest rates.

Qualitative Disclosures

Interest Rate Risk:

Interest rate risk is the risk due to variability of interest rates. The various types of interest rate risk are Reinvestment Risk, Gap/ Mismatch Risk, Basis Risk, Embedded Option Risk, Yield-curve Risk and Model Risk.

The Bank strives to achieve a balance between reducing risk to earnings from adverse movements in interest rates, and enhancing net interest income through correct anticipation of the direction and extent on interest rate changes. IRRBB is measured and controlled using both Earnings Perspective (Traditional Gap Analysis) and Economic Value Perspective (Duration Gap Analysis). The Bank performs Duration Gap Analysis and Traditional Gap Analysis as per the RBI Guidelines on monthly basis for managing the interest rate risk. The Duration Gap analysis analyzes the impact of 100 bps change in the interest rates on the Net worth for the Bank. Traditional Gap Analysis analyzes the impact of 100 bps change in the interest rates on the Earnings.

Bank also performs periodic stress test on interest rate risk in order to analyze the impact of stress due to adverse movement in the interest rates and its impact on Bank's earnings.

After review of the current situation of IRRBB, the ALCO devise various strategies to minimize the interest rate risk while maximizing earnings and net worth.

Quantitative Disclosures:

Impact of increase (decline) in earnings and economic value for upward and downward interest rate shocks of 1% as on 31 March, 2015 are given below:

Earnings Perspective

(Rs. in million)

Particulars	Interest Rate Shock	
	1%	-1%
Impact on Earnings	49	(49)

Economic Value Perspective

(Rs. in million)

Particulars	Interest Rate Shock	
	1%	-1%
Impact on Net Worth	181	(181)

10. General Disclosure for Exposures Related to Counterparty Credit Risk

Qualitative Disclosures

Counterparty Credit Risk (CCR) is the risk that a counter party to a transaction could default before the final settlement of the transaction cash flows. 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, CCR creates a bilateral risk of loss to either parties. Counterparty credit risk in case of derivative contracts arises from the forward contracts. The subsequent credit risk exposures depend on the value of underlying market factors (e.g., interest rates and foreign exchange rates), which can be volatile and uncertain in nature.

ICBC Mumbai Branch monitors and manages its exposure to counterparties in over-the-counter (OTC) derivative trades to protect its balance sheet in the event of a counterparty default. Counterparty risk exposures which may be materially and adversely affected by market risk events are identified, reviewed and acted upon by management and highlighted to the risk management committees. The risk measurement methodology includes the higher risks associated with transactions that exhibit a strong relationship between the creditworthiness of a counterparty and the expected future replacement value of a relevant transaction as identified during the trade booking process.

Quantitative Disclosures

The Bank enters into the foreign exchange forward contracts in the normal course of business for proprietary trading and arbitrage purposes, as well as for risk management needs, including mitigation of interest rate and foreign currency risk. Derivative exposures are calculated according to the current exposures method.

Credit exposures on foreign exchange forward contracts:

(Rs. in million)

Nature	Notional Amount	Potential Exposure	Current exposure	Total credit exposure
Forward contracts	10500	210	65	275

11. Composition of Capital

(Rs. in million)

	Basel III common disclosure template to be used during the transition of regulatory adjustments (i.e. from April 1, 2013 to December 31, 2017)		Amounts Subject to Pre-Basel III Treatment	Ref No.
	Common Equity Tier 1 capital: instruments and reserves			
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	4,554.48		
2	Retained earnings	812.88		
3	Accumulated other comprehensive income (and other reserves)	-		
4	*Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies)*	-		
	Public sector capital injections grandfathered until January 1, 2018			
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-		
6	**Common Equity Tier 1 capital before regulatory adjustments**	5,367.36		
	Common Equity Tier 1 capital: regulatory adjustments			
7	Prudential valuation adjustments	26.01		
8	Goodwill (net of related tax liability)	-		
9	Intangibles other than mortgage-servicing rights (net of related tax liability)	-		
10	Deferred tax assets	6.02		
11	Cash-flow hedge reserve			
12	Shortfall of provisions to expected losses	-		
13	Securitisation gain on sale	-		

14	Gains and losses due to changes in own credit risk on fair valued liabilities	-		
15	Defined-benefit pension fund net assets	-		
16	Investments in own shares (if not already netted off paid-in capital on reported balance sheet)	-		
17	Reciprocal cross-holdings in common equity	-		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	-		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	-		
20	Mortgage servicing rights4 (amount above 10% threshold)	-		
21	Deferred tax assets arising from temporary differences5 (amount above 10% threshold, net of related tax liability)	-		
22	Amount exceeding the 15% threshold	-		
23	of which: significant investments in the common stock of financial entities	-		
24	of which: mortgage servicing rights	-		
25	of which: deferred tax assets arising from temporary differences	-		
26	National specific regulatory adjustments (26a+26b+26c+26d)	-		
26a	*of which:* Investments in the equity capital of the unconsolidated insurance subsidiaries	-		
26b	*of which:* Investments in the equity capital of unconsolidated non-financial subsidiaries	-		
26c	*of which:* Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	-		
26d	*of which:* Unamortised pension funds expenditures	-		
	Regulatory Adjustments Applied to Common Equity Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which: [INSERT TYPE OF ADJUSTMENT]			

	For example: filtering out of unrealised losses on AFS debt securities (not relevant in Indian context)			
	of which: [INSERT TYPE OF ADJUSTMENT]			
	of which: [INSERT TYPE OF ADJUSTMENT]			
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions			
28	**Total regulatory adjustments to Common equity Tier 1**	32.02		
29	**Common Equity Tier 1 capital (CET1)**	5,335.33		
	Additional Tier 1 capital: instruments			
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	-		
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)	-		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)	-		
33	*Directly issued capital instruments subject to phase out from Additional Tier 1*	-		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	-		
35	*of which: instruments issued by subsidiaries subject to phase out*	-		
36	**Additional Tier 1 capital before regulatory adjustments**	-		
Additional Tier 1 capital: regulatory adjustments				
37	Investments in own Additional Tier 1 instruments	-		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	-		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	-		

40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-		
41	National specific regulatory adjustments (41a+41b)	-		
41a	Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries	-		
41b	Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	-		
	Regulatory Adjustments Applied to Additional Tier 1 in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which: [INSERT TYPE OF ADJUSTMENT e.g. DTAs]	-		
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 1 at 50%]	-		
	of which: [INSERT TYPE OF ADJUSTMENT]	-		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	-		
43	**Total regulatory adjustments to Additional Tier 1 capital**	-		
44	**Additional Tier 1 capital (AT1)**	-		
44a	**Additional Tier 1 capital reckoned for capital adequacy**	-		
45	**Tier 1 capital (T1 = CET1 + AT1) (29 + 44a)**	5,335.33		
Tier 2 capital: instruments and provisions				
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	-		
47	Directly issued capital instruments subject to phase out from Tier 2	-		
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)	-		
49	of which: instruments issued by subsidiaries subject to phase out	-		
50	Provisions	122.72		
51	Tier 2 capital before regulatory adjustments	122.72		
Tier 2 capital: regulatory adjustments				
52	Investments in own Tier 2 instruments	-		

53	Reciprocal cross-holdings in Tier 2 instruments	-		
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	-		
55	Significant investments[13] in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	-		
56	National specific regulatory adjustments (56a+56b)	-		
56a	*of which:* Investments in the Tier 2 capital of unconsolidated subsidiaries	-		
56b	*of which:* Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	-		
	Regulatory Adjustments Applied To Tier 2 in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which: [INSERT TYPE OF ADJUSTMENT e.g. existing adjustments which are deducted from Tier 2 at 50%]	-		
	of which: [INSERT TYPE OF ADJUSTMENT	-		
57	**Total regulatory adjustments to Tier 2 capital**	-		
58	**Tier 2 capital (T2)**	122.72		
58a	**Tier 2 capital reckoned for capital adequacy**	122.72		
58b	**Excess Additional Tier 1 capital reckoned as Tier 2 capital**	-		
58c	**Total Tier 2 capital admissible for capital adequacy (58a + 58b)**	122.72		
59	**Total capital (TC = T1 + T2) (45 + 58c)**	5,458.05		
	Risk Weighted Assets in respect of Amounts Subject to Pre-Basel III Treatment	-		
	of which: [INSERT TYPE OF ADJUSTMENT]	-		
	of which: …	-		
60	**Total risk weighted assets (60a + 60b + 60c)**	19,687.06		
60a	*of which: total credit risk weighted assets*	17,031.17		

60b	*of which: total market risk weighted assets*	1,782.46		
60c	*of which: total operational risk weighted assets*	873.43		
	Capital ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	27.10%		
62	Tier 1 (as a percentage of risk weighted assets)	27.10%		
63	Total capital (as a percentage of risk weighted assets)	27.72%		
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	0%		
65	*of which: capital conservation buffer requirement*	0%		
66	*of which: bank specific countercyclical buffer requirement*	0%		
67	*of which: G-SIB buffer requirement*	0%		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	27.10%		
	National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	6%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7%		
71	National total capital minimum ratio (if different from Basel III minimum)	9%		
	Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financial entities	-		
73	Significant investments in the common stock of financial entities	-		
74	Mortgage servicing rights (net of related tax liability)	-		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	-		
	Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	122.72		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	246.09		

78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	122.72		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	-		
Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)				
80	*Current cap on CET1 instruments subject to phase out arrangements*	-		
81	*Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)*	-		
82	*Current cap on AT1 instruments subject to phase out arrangements*	-		
83	*Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)*	-		
84	*Current cap on T2 instruments subject to phase out arrangements*	-		
85	*Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)*	-		

12. Composition of Capital- Reconciliation Requirements

(Rs. in million)

	Step 1	**Balance sheet as in financial statements**	**Balance sheet under regulatory scope of consolidation**
		As on 31.03.2015	**As on 31.03.2015**
A	**Capital & Liabilities**	5,367.36	Not Applicable
i	Paid-up Capital	4,554.48	
	Reserves & Surplus	812.88	
	Minority Interest	-	
	Total Capital	5,367.36	
ii	Deposits	4,096.92	
	of which: Deposits from banks	-	
	of which: Customer deposits	4,096.92	
	of which: Other deposits (pl. specify)	-	
iii	Borrowings	4,100.00	
	of which: From RBI		
	of which: From banks	4,100.00	
	of which: From other institutions & agencies	-	
	of which: Others (pl. specify)	-	

	of which: Capital instruments	-	
iv	Other liabilities & provisions	299.50	
	Total	13,863.78	
B	**Assets**		
i	Cash and balances with Reserve Bank of India	411.42	
	Balance with banks and money at call and short notice	270.45	
ii	Investments:	2,522.33	
	of which: Government securities	2,522.33	
	of which: Other approved securities	-	
	of which: Shares	-	
	of which: Debentures & Bonds	-	
	of which: Subsidiaries / Joint Ventures / Associates	-	
	of which: Others (Commercial Papers, Mutual Funds etc.)	-	
iii	Loans and advances	10,531.00	
	of which: Loans and advances to banks		
	of which: Loans and advances to customers	10,531.00	
iv	Fixed assets	12.04	
v	Other assets	116.54	
	of which: Goodwill and intangible assets	-	
	of which: Deferred tax assets	-	
vi	Goodwill on consolidation	-	
vii	Debit balance in Profit & Loss account	-	
	Total Assets	13,863.78	

(Rs. in million)

	Step 2	**Balance sheet as in financial statements**	**Balance sheet under regulatory scope of consolidation**
		As on 31.03.2015	**As on 31.03.2015**
A	**Capital & Liabilities**		Not Applicable
i	Paid-up Capital	4,554.48	
	of which: Amount eligible for CET1	4,554.48	
	of which: Amount eligible for AT1	-	
	Reserves & Surplus	812.88	
	of which:	-	
	Statutory Reserve	203.22	
	Investment Reserve	26.01	
	Amount Retained in India for CAPAD	583.65	
	Minority Interest	-	

	Total Capital	5,367.36	
ii	Deposits	4,096.92	
	of which: Deposits from banks	-	
	of which: Customer deposits	4,096.92	
	of which: Other deposits (pl. specify)	-	
iii	Borrowings	4,100.00	
	of which: From RBI	-	
	of which: From banks	4,100.00	
	of which: From other institutions & agencies	-	
	of which: Others (pl. specify)	-	
	of which: Capital instruments	-	
iv	Other liabilities & provisions	299.50	
	of which:		
	Provision against standard asset	52.78	
	Provision for Country Risk	1.44	
	Provision for Unhedged Foreign Currency Exposures	42.48	
	Total	13,863.78	
B	**Assets**		
i	Cash and balances with Reserve Bank of India	411.42	
	Balance with banks and money at call and short notice	270.45	
ii	Investments	2,522.33	
	of which: Government securities	2,522.33	
	of which: Other approved securities	-	
	of which: Shares	-	
	of which: Debentures & Bonds	-	
	of which: Subsidiaries / Joint Ventures / Associates	-	
	of which: Others (Commercial Papers, Mutual Funds etc.)	-	
iii	Loans and advances	10,531.00	
	of which: Loans and advances to banks	-	
	of which: Loans and advances to customers	10,531.00	
	Fixed assets	12.04	
v	Other assets	116.54	
	of which: Goodwill and intangible assets *Out of which:*	-	
	Goodwill	-	
	Other intangibles (excluding MSRs)	-	
	Deferred tax assets	6.02	
vi	Goodwill on consolidation	-	
vii	Debit balance in Profit & Loss account	-	
	Total Assets	13,863.78	